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30 APRIL 1987

Sub-Saharan Africa Report

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COUNTRY'S DIPLOMATIC STRATEGY ANALYZED

London AFRICA CONFIDENCIAL in English Feb 87 p 8

[Text] • **Angola's diplomacy in Western countries will become more pragmatic and also less aggressive in order to tune it with Luanda's political strategy of winning the hearts and minds of Western Governments and creating a climate sympathetic towards the MPLA regime in economic and political circles in the West. The present Angolan Foreign Minister is in line for a replacement and the Government also plans to change diplomatic representatives in Lisbon and New York (UN).**

SHOULD PRESENT TRENDS continue, the new Angolan Foreign Minister will be **Mr. Roberto de Almeida**. He has diplomatic experience (he was Deputy-Foreign Minister) and is considered to be well qualified for the job. His appointment as Foreign Minister (Minister of External Relations) will be also a political move by **President Santos** to take him away from the post of Secretary for the Ideological Organisation of the MPLA (an extremely powerful position in Angola). **President Santos** is likely to appoint the present Foreign Minister, **Afonso Van Dunen**, to the Secretariat.

For Angola's United Nations Embassy in New York the most likely presidential choice is **Mr. Ismael Martins**, at present the Minister of External Trade. The UN Embassy is particularly important for Angola due to the lack of diplomatic relations with Washington. **Ismael Martins** has a vast experience in contacts with North Americans and he is a graduate of an American University.

The decision to replace the Ambassador to Lisbon, **Mawete João**

Baptista has been in the centre of great controversy in Portugal. His most likely replacement is **Mr. Diógenes Boavida**, considered to be a moderate with strong links to Portugal. He graduated in Law at a Portuguese University.

Mawete João Baptista, before coming to Lisbon had been the Angolan Ambassador to Cuba where he is known to have attended a course on security and intelligence. Our sources suggest that he left Havana by special request of the Cuban Government. The request is believed to have stemmed from Mr. Mawete's personal conduct.

In Portugal the activities of the Angolan Ambassador have also been controversial. He is seen by diplomatic circles as being poorly qualified for the job and of having no particular skill to handle the more difficult aspects of diplomatic work in Portugal. Since his arrival in Lisbon, the Angolan Embassy has been accused of involvement in spying activities and a number of suspicious incidents have taken place, including the death of an Embassy official.

The Portuguese authorities are known to have expressed to Luanda their concern with the activities of the Angolan representative here and in the Angolan Capital there are signs that the MPLA Government is upset with the Ambassador's lack of tact and ruthlessness. Our sources say the working environment at the Embassy complex has deteriorated very much over the past few months. The atmosphere is described as being «full of tension».

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CSO: 3400/532

PAPER REPORTS ON RESTRUCTURING OF AIR FORCE

London AFRICA CONFIDENCIAL in English Feb 87 p 11

[Text]

• The Angolan Air Force — FAA — has been restructured. The changes affect the organisational and operational sectors. The blue-print followed was the Cuban Air Force. There are now three independent regiments: Fighter-bombers (Headquarters in Lubango), Transport (Luanda) and Helicopters (Huambo). Each regiment has several units (squads) which are spread throughout the country. On the other hand, Angola has ordered from the Soviet Union Antonov-32 military transport aircraft. The aircraft has twice the engine power and a much larger capacity than the existing Antonov-26. The avionics and general technology are also much more advanced.

THERE ARE ALSO plans to buy Western made equipment which is considered to be ideal for the anti-rebelwar. The Angolan Air Force already has eight Swiss made PC-7 reconnaissance and attack aircraft, ten Spanish made «Casa» troop carriers and also five French made

«Gazelle» helicopters.

Over the past year, due to Unita's anti-aircraft «Stinger» missiles, the Angolan Air Force lost twenty aircraft, mainly helicopters, which the Soviet Union has been replacing. A great deal of the helicopters lost by the Angolan Airforce were shot down during the Mavinga offensive in late 1985. Most of them were MI-24 Hind, which the Soviet Union supplied to Angola without the anti-missile deflecting shields which normally equip the aircraft.

The Angolan authorities, in an attempt to play down the gravity of Unita's offensive capability, have never admitted that the rebels are equipped with the Stinger missiles which were supplied by the United States. However, the Angolan pilots, including civilian pilots, are being trained to take evasive action to face the «Stinger» threat. Their landings are now made using the technique of spiralling down in the final approach to air fields in critical areas.

The Angolan Air Force Chief is now Colonel Alberto Neto, who

went recently on a tour of several Western countries including Portugal (see briefs). Before being appointed to replace Iko Carreira as Air Force Chief, Colonel Neto attended a command course in the Soviet Union. In the Staff of the Angolan Air Force there are several **Soviet and Cuban Officers**.

At the Lubango air base, the headquarters of the Fighter-Bomber regiment there are now eighteen MIG-21 and MIG-23 jet fighters. The base is considered to be the most important one in Angola. It has been operational since 1982. It is situated at less than 200 Kilometers from the Namibia border and is protected by a **sophisticated radar network**. The cost of the Lubango air base exceeded **20 Million US\$**. The project was made in Jugoslavia. The aircraft are **parked in under ground shelters** linked to the runways by a system of ramps. The shelters have strong gates which open by remote electronic control. (on Angolan Air Force see AC n.4 and 6).

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LUANDA'S RECONCILIATION POLICY EXPERIENCES DIFFICULTIES

London AFRICA CONFIDENCIAL in English Feb 87 p 11

[Text]

- Efforts by the Luanda regime to recoup MPLA dissidents, and other foreign exiles presently or formerly linked to the FNLA and UNITA, continue to encounter some difficulties — partially offset by successful public relations efforts such as the recent trip to Angola of the Lisbon-based singer Raul Indipwo. Luanda's principal protagonists in this effort are current ambassador to Lisbon, Mawete João Batista and Daniel Chipenda — once an MPLA figure, later a key FNLA man and as of a year ago, newly reconciled to the regime.

LUANDA'S LATEST difficulty arises from a failed attempt to recoup Francisco Machado, a founder member of the MPLA, who presently lives in Portugal. Mr. Machado headed the MPLA's Action Committee in what was then Leopoldville (during the guerrilla struggle against Portuguese colonialism) and was a member of the National Political Committee of the party. At a lunch to which he was invited by Ambassador Batista, attended also by Daniel Chipenda, he

showed no interest in returning to Angola.

Meanwhile former MPLA guerrilla commander, Yetu, «Angola Livre» (Free Angola), who backed Daniel Chipenda's dissident «Revolta de Leste» (Eastern Revolt) movement and subsequent membership of the FNLA, was killed in a Lobito street after apparently ignoring a night time curfew. He had returned to Angola in 1985 after living for several years in neighbouring Zaire. Some reports say that before he arrived in Lobito for medical treatment, he had been interned in a re-education camp at Quibala, in central Angola.

The failure of this policy in Portugal of persuading dissidents and former functionaries to return to Angola stems largely from a generalised sense of insecurity about the future of Angola and of a rooted opposition among Angolan exiles to the marxist-leninist policies of the regime ruling the country.

On the other hand the Luanda government also has to contend with a similar campaign, run for diametrically opposite purposes, by UNITA in

Portugal. It also faces other initiatives by recently-formed organisations like UNANGOLA. Behind this latter group stand figures like Andre Franco de Sousa, a co-founder of the MPLA who recently surfaced at the top of a list of people appealing for peace in Angola.

UNANGOLA has plans this year to promote a meeting in Portugal of Angolan refugees. The Luandan authorities believe the organisation has close ties to UNITA. It is known that Franco de Sousa's appeal has drawn some individual but as yet unformalised support, from elements of the former MPLA dissident faction «Revolta Activa» (Active Revolt). It also has contact with the so-called «Independent Democrats» — a clandestine group inside Angola, which objects to aspects of Angola's policies. (See AC n.º 9, page 8 only available in the Portuguese edition).

Franco de Sousa and the «Independent Democrats» are said to have established links with a view to forming in Portugal an Angolan Human Rights League, aimed at denouncing abuses of human rights and liberties inside Angola.

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MPLA DEBATES OVER CONTINUED SUPPORT FOR SWAPO

London AFRICA CONFIDENCIAL in English Feb 87 p 14

[Text]

- The question of continued Angolan military backing for SWAPO is once more under discussion in the inner councils of the Luandan regime. The views of those keen to end this support — in exchange for a South African commitment to cease backing UNITA — are beginning to prevail. Fresh initiatives are also being prepared in Luanda for renewed contacts with the United States. In recent weeks, seemingly as a result of the Irangate scandal, the U.S. State Department has shown a growing and closer interest in Angolan developments

THE INTERNAL debate over continued support for SWAPO is old (see AC n.º 5 Page 15 and n.º 9, Page 13 only available in Portuguese edition) but it is now being discussed with unprecedented intensity. The more pragmatic wing of the MPLA, grouped among others, around Kito Rodrigues and Pedro van Dunem, considers that Angola should withdraw support from SWAPO as a first step in a

negotiating process which could lead South Africa to abandon its backing for UNITA. This view is considerably helped by the increasingly bad image SWAPO is gaining inside Angola.

The views of the regime's pragmatists, shared by President José Eduardo dos Santos, are that South Africa would only accept ending its support for UNITA in exchange for a similar undertaking by Angola with regard to SWAPO. The pragmatists consider that South Africa exercises the most pressure on the MPLA regime so that if any concessions are to be made this is where they should be made.

Angola's flexibility in its policy towards SWAPO (likely to be put into practice without ever being publicly acknowledged) is aimed mainly at trying to check any fresh South Africa plans for deeper involvement in the Angolan conflict (directly or through UNITA). The Angolans fear that South Africa will intervene as part of an effort to resolve the Angolan problem before the next U.S. presidential election. South

Africa believes a democratic administration in Washington will create even greater problems for Pretoria than the current administration. Thus South Africa would like to resolve the Namibian question soon, but in its own favour.

However the views of the MPLA pragmatists supporting reduced support for SWAPO are not shared by the orthodox group in the MPLA government. The latter describe the pragmatist line as «immoral» and see it as a definite setback for security in the southern region of the country. The pragmatists counter this by arguing for U.S. guarantees of this security and an end to Washington's support for UNITA.

While the Soviets (but not the Cubans) are currently encouraging Luanda to re-establish contacts with the United States, there has also been a notable reawakening of interest by the U.S. State Department in the Angolan problem. This is seen as a possible attempt to fill the void left following a «disengagement» from the question by the CIA and the Pentagon, in the wake of the Irangate scandal. U.S. diplomats close to the State Department have lately redoubled efforts to obtain information about the situation in Angola.

Luanda's strategy to cut-off UNITA's two most important external sources of aid, could fail however, under the onslaught of a stepped up rebel offensive, which now appears to be in the offing. In recent months Jonas Savimbi has spent a great deal of time and effort improving his combat

readiness, increasing his troop strength by a further 20,000 men and stepping up training and the flow of arms and equipment to his forces.

The UNITA leader appears to believe that he will only be able to upset Luanda's plans if he achieves significant military successes. For example if by July this year it managed to inflict important defeats on government forces, known as the FAPLA, UNITA would be in a position to generate favourable support in the new U.S. Congress. This would coincide with voting in Congress for a new programme of military aid. UNITA would also be in a position to make the South Africans think twice about any planned «constructive engagement» with Luanda.

Luanda meanwhile has anticipated an increase in guerrilla activity and has stepped up defences around major cities. It has also ordered massive new consignments of Soviet military hardware (despite its current financial difficulties).

This boosted arms procurement is also designed to put pressure on South Africa, discourage it from further military adventures into Angola and because of the nature of the weapons — long-range artillery, surface-to-air missiles and helicopters — impose a compromise solution on Pretoria. Angola has recently installed more sophisticated radar systems in the south of the country.

Luanda's current strategy is also marked by a near total lack of will to negotiate with UNITA — basically because the

strategy aims greatly to weaken if not completely neutralise the rebels. But attitudes towards UNITA are notably different among a large group of Angolans outside the direct political zones of influence. Among these groups there is a growing desire to see a start made on a negotiated peace settlement between the two sides.

Another disturbing phenomenon on the increase in Angola, and which raises questions about future confidence in the country, is widespread corruption and a tendency to accumulate wealth and goods outside the country. There has been a big increase in the number of people buying houses abroad (with Portugal the most sought after country in this respect).

In February the military situation changed little. FAPLA remained on the

defensive, especially in the North. UNITA, drawing on support from Ovimbundu workers shipped to northern coffee plantations, has been increasingly active in the area.

Government forces continue to face a worsening situation especially in the Uige and Kwanza-North provinces.

In the southeast warzone, where FAPLA retains the offensive, UNITA managed to stall FAPLA's advance southwards by destroying a vital bridge over the river Cuito. This action was carried out by a special UNITA force known as BATE (a Portuguese acronym for the Action Brigade of Special Troops). The bridge had previously been destroyed in 1985 by South Africa planes and subsequently rebuilt by the Soviets.

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RELATIONS BETWEEN MPLA, SWAPO STRAINED

London FOREIGN REPORT in English 5 Mar 87 p 5

[Text] Relations between the Marxist government of Angola and the Angola-based South West Africa People's Organisation (SWAPO), which receives its supplies from the Soviet Union, are bad.

Angola's rulers have let SWAPO use southern Angola as their base for guerrilla operations aimed at overthrowing the South African-backed, multi-racial coalition government in neighbouring Namibia. The Angolans grumble that the SWAPO guerrillas should spend more time inside Namibia. More importantly, they are furious with SWAPO for feeding them wrong intelligence which led to the ambush of an army convoy on January 19th by pro-western guerrillas of the National Union for the Total Independence of Angola (UNITA). Some Angolan army officers think the information which sent the convoy into a trap was deliberately misleading. Soon after the incident, some SWAPO guerrillas were killed in a clash with Angolan troops.

Angolan suspicions have been encouraged by rumours that key figures in SWAPO are about to link up with the Namibian government in some way. There is no suggestion that the SWAPO chief, **Sam Nujoma**, will change sides. But others might. **Andreas Shipanga**, a minister in the coalition government, visited London in February and reports circulated that he met senior SWAPO officials. These reports have weakened Angola's confidence in SWAPO.

SWAPO is in an unusual situation. It is a legal organisation in Namibia and has been allowed to hold public meetings without any difficulties; but it also runs a guerrilla army. It refuses to seek office while South Africa remains the final arbiter of the country's future.

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MPLA YOUTH NOTE POSITIVE RESULTS FROM CLEMENCY POLICY

MB111005 Luanda Domestic Service in Portuguese 0500 GMT 11 Apr 87

[Excerpt] The policy of clemency, which was established by the MPLA-Labor Party and is being implemented by the state, has achieved positive results characterized by the voluntary surrender of thousands of compatriots to Angolan authorities. This is stated in a report by the JMPLA [MPLA Youth] National Committee presented at that organization's second congress, which is being held in Luanda 10-14 April. The report also notes that most of the reintegrated compatriots are young men who lived in the bush as captives of the armed gangs or were deceived by their false propaganda and imperialism's false promises.

The party youth wing national committee report read by the organization's first secretary, Comrade Domingos Francisco Bartolomeu, yesterday also notes that the U.S. Administration has recently multiplied acts of undeclared war against the Frontline States, particularly the People's Republic of Angola, thus increasing political, military, economic, and social destabilization and transforming southern Africa into one of our plant's most turbulent and tense regions.

With regard to Angola's destabilization, despite the international community's repudiation and condemnation, the racist Pretoria regime continues to train, arm, and provide logistics to armed gangs who destroy people's property. Despite their permanent and (?destructive) aggressiveness, the Angolan youth, in particular, is firmly mobilized and determined to fight until the end to expell invading troops from the national territory. The document also points out that the racist Pretoria regime maintains its anachronistic apartheid regime and illegal occupation of Namibia in (?violation) of pressure from the international community and mankind to destabilize the Frontline States politically and economically.

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CSO: 3400/527

SECURITY OFFICERS ACCUSED OF ABUSING POWER TO FACE TRIAL

London AFRICA CONFIDENCIAL in English Feb 87 p 10

[Text]

- The trial of a group of angolan Security Officers (political police) accused of abuse of power, namely the summary execution by firing squad of UNITA prisoners, is due to commence in Luanda soon. Among those on trial there is Major Magalhães, the head of the Department of Anti-Bandit Combat, known as LCP, a branch of the Ministry of Security which is in charge of the fighting against UNITA. Other information received from Luanda and confirmed by several sources suggests that the 29 persons recently tried in the Capital for political dissidence, were part of a group of about one hundred political detainees, arrested in Northern Angola at the towns of M'Banza Kongo and Soyo, for anti government activities.

AMONG the Security Officers who will be tried in Luanda there are also two Captains, Costa and Morais (see AC n. 7 pg. 13). The two men are accused of «irregular behaviour» during the trials of the so-called «Camanga Process» which dealt with illegal diamond traffic. The Camanga trials were held about two years ago and ended up with over one hundred people including many Portuguese nationals receiving heavy sentences. Some of the accused, particularly the foreign nationals, were tried and condemned in absentia.

On trial in Luanda there will also be a senior Security Officer who was an aid to the former Provincial Commissar (Gover-

nor) of Malanje, Mr. Ludy Kissassunda (who lost his seat at the Central Committee of the MPLA's Politburo at the latest party Congress). Kissassunda's aid, Captain Kekas, is accused of having ordered the summary execution by firing squad of several UNITA supporters and also of members of the MPLA Armed Forces, FAPLA, who was under detention.

President Eduardo dos Santos, who visited Malanje in November, 1986, admitted at a public political rally that the local population under the rule of Ludy Kissassunda had been subjected to abusive usage of power by the local rulers and announced he had ordered the detention of two of Kissassunda's closest aides. Information received by us suggests that a commission of enquiry appointed by President Santos to investigate the situation in the Malanje Province, has concluded that several UNITA prisoners were executed with a shot in the nape and the bodies thrown in communal graves. This happened during Kissassunda's period in office.

The «Camanga Process» which we mentioned earlier led to the first detention in Angola's history as an independent country, of former members of the MPLA's Central Committee. Two senior military men, Colonel Ndozi and Colonel Tchizalanga who had served in the Central Committee were put under detention but the accusation was never made public.

Another senior military officer, Lieutenant-Colonel Mona, was also detained du-

ring the Camanga Process. He spent a long time in prison but was later acquitted. The illegal diamond traffic affair did reach senior Government and party officials. The former Minister of Security, **Dino Matross**, has been stripped of all executive and political power and this despite being «a permanente Central Committee member» and also a permanent member of the Politburo. His influence now on Angola's politics is nul. The reasons for **Dino Matross's** degradation are believed to be linked with the way in which he conducted the investigations of the «Camanga Process». In the indictment there was a reference to the Angolan President's former wife (a Soviet national believed to be a KGB informer) who was alledged to have sold a luxury Mercedes to one of the main accused in the process, a man who is known as **Zeca Siberia**.

In what concerns Northern Angola, the movement of political opposition against the MPLA regime was led by **Motsés André Lina** (also known as Moshe Eleison) who was a former Major of the Angolan Armed Forces FAPLA. He was born in Northern Angola. He defected from the Angolan Forces and fled to Portugal where he lived for several years and worked with his wife on the organization of an opposition movement which became known as MUSA (Movement for the Socialist Union of Angola). **Motsés André Lina** was one of the men sentenced to death in the trials of the so-called «Process of the 29».

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CHANGES IN MASS MEDIA REPORTEDLY IMMINENT

London AFRICA CONFIDENCIAL in English Feb 87 p 5

[Text] Changes in the Angola media are imminent -- first step in a plan to eliminate the heavy ideological bent which currently marks the country's mass media.

First step in the plan, approved personally by President José Eduardo dos Santos is the removal of Roberto de Almeida from his post as Central Committee Secretary for Ideology, a job which gives him effective control of newspaper, radio and television.

Apart from its widely recognised defects and inadequate political orientation, the Angolan media has been accused of serving as an instrument of self-promotion for Roberto de Almeida (see page 8).

Among expected changes will be the removal of Raimundo Sotto Mayor as director of the news agency ANGOP. The agency has come under heavy fire internally for its "official and sectarian" handling of news including the service it distributes internationally.

More than any other of the media ANGOP has distinguished itself for an anti-western stance and for a major anti-Portugal campaign two years ago. Sotto Mayor is an Angolan of Portuguese origin.

He is a close supporter of Pinto João, director of DIP (the MPLA's department of information and Propaganda), who controls the media. In recent years ANGOP has lost many of its staff.

Francisco Simons will probably become the new director of television (TPA) while the writer Mário Guerra (Benúdia) is likely to lose his job as director-general of the sole newspaper "Jornal de Angola", which is state-owned. There are signs that despite his already mentioned shortcomings, Sotto Mayor could take over from Benúdia.

Since Roberto de Almeida gained control over the mass media there has been increasing instability in the field due to his constant staff changes. Two individuals affected by his decisions are Rui de Carvalho (TPA) and Mena Abrantes (ANGOP).

/13046
CSO: 3400/531

REASONS FOR SUGAR PRODUCTION DROP ANALYZED

London AFRICA CONFIDENCIAL in English Feb 87 p 7

[Text] The late Mozambique President Samora Machel acted on behalf of Portuguese financial circles (Espírito Santo group) close to his Angolan counterpart, Jose Eduardo dos Santos. The Portuguese concern wanted to take over Angola's sugar industry. President Machel achieved no practical results in his bid to mediate between the Angolan Government and the Portuguese financiers, which was made in 1986. Previously other Portuguese entrepreneurs (RAR group) had failed in a bid to provide technical assistance to an Angolan sugar mill at Caxito, near Luanda. The sugar industry in Angola, which in pre-independence days had a large production surplus, at present does not meet the national needs. The industry is being run by Cubans.

The Fall in Angola's sugar production (90 000 Tons in 1973, against less than 10 000 Tons last year) is due to several factors. The area of sugar cane plantations has been sharply reduced, existing plantations are showing signs of fertilizer shortage and the sugar mills are not operating at full capacity. The Cubans have also brought into Angola sugar cane species which are not adequate for the African climate and soil conditions.

The sugar content in the molasses has dropped from 9,5% to 3,5%. The fall in production has forced the Angolan Government to import an average of 70 000 Tons of unrefined sugar from Cuba. At present, Angola is one of Cuba major sugar importers. The traditional markets for Cuban sugar which were the EEC countries have been reducing their imports. Cuba's main sugar exports go to the Soviet Union and other Eastern bloc countries.

Angola's importance as an importer of Cuban sugar explains the opposition of the Cubans to foreign influence in the Angola sugar industry. The Cubans have with the Angolan Government large contracts for technical assistance to the sugar industry.

Before independence, Angola's sugar industry had reached an advanced technical stage. In fact the technology used in Angola was more modern than the Cuban methods. In Cuba the harvest of sugar cane is still being made manually.

Four mechanical combined harvest machines (La Libertadora type) which had been imported from the United States during the Portuguese Colonial administration

by the Casseque farm, but which arrived in Luanda only after independence, were seized by the Cubans and shipped to Havana.

Another example of the Cuban poor technological preparation is that the Cuban engineers were not able to assemble a "Thompson" boiler imported from South Africa to the Caxito sugar mill. The Cuban management techniques are also considered inadequate to the African context and do not appear to be orientated towards profit making. Before independence Angola supplied the whole of its internal market and by 1973 it had reached an export figure of 18 303 Tons.

/13046
CSO: 3400/532

BRIEFS

CUBANS' HOUSING IN HUAMBO DESCRIBED--One of the most modern buildings in Huambo, "Ancotel" among the last built in the colonial era, has been commandeered as a barracks for Cuban officials and aidworkers. A public service department previously housed in the building was moved out to make room. Previously the Cubans, together with Soviet officers, lived in another big block, the "Cooperativa" which was severely damaged by a UNITA bomb attack. A number of Cubans and Soviets died in the attack. "Ancotel" is situated in an isolated part of the city and surrounded by security devices to keep out unauthorised personnel. Cuban soldiers and civilians mount armed guard at the entrance. Another area used to house in officials is the former Portuguese military barracks of Santo Antonio. A one and a half metre high protective earthworks has been built around the barracks. Huambo is in a part of Angola where UNITA is very active. A clandestine band of UNITA supporters operates inside the city and there are constant guerrilla attacks, especially at night. After sunset few pedestrians can be seen and traffic is virtually restricted to military vehicles. Constant shooting can be heard at night and a government guard was recently shot in the arm. The airport is surrounded by a massive no-go protection zone. Gun emplacements and trenches have been dug around the whole airport. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 2] /13046

CAVACO SILVA ENCOURAGES UNITA CONTACT--Prime Minister Anibal Cavaco Silva personally urged a member of his ruling Social Democratic (PSD) party to travel to the UNITA headquarters at Jamba in southern Angola with a group of political figures and journalists now visiting the base. PSD leaders have on previous occasions met with UNITA leaders and even with Jonas Savimbi. Relations between the guerrilla movement and the PSD were particularly good during the rule of deceased PSD Prime Minister Francisco Sa Carneiro (1979-1980) but grew chilly in recent times. Agustina Bessa Luis, a writer and election agent for Prof. Diogo Freitas do Amaral during the 1985 presidential campaign, also accepted an invitation to join the current visit but pulled out at the last moment due to illness. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 2] /13046

CABINDA AIRPORT SITUATION DESCRIBED--Cabinda airport is now closed to night traffic following damage to the night landing system after UNITA's sabotage attack on the airport last October. Local sources say that contrary to information in our earlier issue (AC No 13, page 9) damage was not limited to

the VIP lounge in the airport. The control tower was also hit in the attack. The damage done to the tower and air control equipment meant that airplanes have been guided by rudimentary means in contravention of international air control regulations. The pilot of a TAAG passenger plane approaching the airport, recently had to use all his experience to escape a hail of fire from an anti-aircraft battery which mistook him for an enemy plane. Planes on the Luanda/Cabinda route, which formerly departed Luanda at 20.00 hours local time now leave at 16.30 because of the landing light deficiency at Cabinda. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 3] /13046

CUBAN COLONEL DIES--A Cuban colonel identified only as Lopez died a while ago when the vehicle he was travelling in from Massangano to Cambambe, hit a mine. The officer was in charge of the Cuban brigade at Massangano used mainly to protect the Cambambe dam and the power supply lines to Luanda. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 3] /13046

TRANSPORT MINISTER'S EXTRAVAGANCES--Angolan Transport Minister Bernardo de Sousa has confirmed that in the middle of last year he ordered TAAG's traffic department to reroute a Luanda/Benguela passenger flight to make an unscheduled stopover at Sumbe (in Kwanza-Sul province) so "two lady cousins" of his could be landed there. Justifying this and other actions the minister said he had "suffered greatly in São Nicolau" (a Portuguese colonial jail). The day before his birthday the minister requisitioned a "Fokker 27" to transport his birthday cake. The plane flew from Benguela to Luanda without passengers carrying only the minister's cake. Recently Bernardo de Sousa removed for his personal use, two generators from a batch of 20 the airline TAAG had imported to provide standby power at airstrips in the interior, where landing lights have been sabotaged by UNITA. Last August at Luanda Harbour, which falls under his jurisdiction and which he visits frequently, the minister caught a stevedore stealing a bar of soap. He forced him to swallow the bar. The stevedore later died. Bernardo de Sousa has strong support within the ruling MPLA party of which he was formerly the secretary, a post which gave him access to many details about the private lives of MPLA leaders. From time to time rumours about his impending departure from government appear, but so far he has survived them all. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 3] /13046

TRANSFER OF BANK RESERVES--As a precautionary measure at independence in 1975 the Angolan authorities transferred 100 million dollars worth of Bank of Angola reserves to Mozambique. The measure was taken in case the MPLA's adversaries (FNLA, UNITA or South African forces) managed to seize Luanda. The transfer was designed to provide the MPLA with funds should it need to evacuate Luanda and organise a resistance. The money was invested by the Bank of Mozambique and later returned to Angola with interest. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 3] /13046

MPLA VETERANS' SITUATION VIEWED--A large number of Angolan veterans of the MPLA's guerrilla war, who lack reading skills and military training, are being pressured into moving to the reserve. Other veterans, believed still to have some military use, are being sent abroad. Colonel M'Beto Traça has been sent to Yugoslavia and Lieutenant-Colonel Vietname, and others, to the Soviet

Union. At the end of 1986 a number of veterans raised objections to the promotion of other officers above them, demanding the right to promotion themselves. The decisions were taken on the basis of capabilities rather than seniority. The argument continued for several months. Yugoslavia made uniforms for the new generals, were held in stores for several months before finally being issued to their new owners. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 4] /13046

CUBAN STOPOVER IN BISSAU--Cuba is using Bissau airport as a regular stopover point in moving reinforcements and rotating its troops stationed in Angola. The pace of stopovers, until now every fortnight, is about to be stepped up to twice a week. Planes of the Cuban national airline "Cubana" are provided with ground services by TAP-Air Portugal. The soldiers travel in mufti. Previously Cuba had used the airport of Sal in Cape Verde (also used by South African Airways), for its stopovers. Cuban vessels carrying troops and war material to Angola also make regular calls at Bissau port, where they sometimes discharge cargo. These points coincide with a growing Cuban influence in Bissau in recent months (See AC No 13 Page 8 and No 14 Page 8). [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 5] /13046

'CASA' NOT 'TUPOLEV' CRASHED IN LUANDA--The plane we erroneously identified (AC No 14, page 7) as an "Antonov" which crashed in December at Luanda airport killing its six occupants, was a "Casa C-212" of the Angolan Airforce. The plane which was on a resupply flight to Ndala and Uaco-Kongo, developed serious engine trouble in its port engine shortly after takeoff. The pilot informed the control tower he was making an emergency landing. The landing could have been made safely (the airplane can be handled on only one engine) but the pilot made a serious error, banking to port as he turned back to land causing the plane to crash. The plane commanded by a highly experienced pilot Capt Francisco Gomes, was being flown at the time by the co-pilot Lieutenant Frederico. Both men and the four passengers died in the crash. Two months previously another "Casa" of the same type made a defective landing in Malanje breaking its landing brakes and badly damaging its fuselage. Last year Angola bought 12 of these planes from Spain. Only eight are currently operational. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 5] /13046

FIDEL'S SECURITY IN LUANDA--Last September hours before Fidel Castro was due to set off from a Luanda airbase for a short helicopter visit to Quifangondo, Cuban troops completely sealed off the area. Access to the base was severely restricted and only properly accredited Angolan military men were allowed in. The helicopter used by Castro, who was accompanied by President Jose Eduardo dos Santos, was a "Mi-8", crewed by Cubans. Fidel Castro made a stopover of several days in Angola after attending the Non-Aligned summit in Harare. He also visited Lubango where he delivered a speech to his soldiers serving in Angola (see "AC", no 13, page 11). The speech was so embarrassing to Angola that state television only transmitted it many days later. We have learnt meanwhile that at the end of October two Cuban pilots abandoned a mission they were flying on in two "Mi-8" helicopters to fly to the Quiçama National Park to go hunting. The Cuban Air regiment in Angola is distinguishable from the Angolan Air Force only by license numbers. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 5] /13046

TAAG DECLINES PARTNERSHIP WITH 'EQUATORIAL AIRLINES'--The Angolan airline TAAG, has refused to enter a pool agreement with the newly formed São Tomé airline "Equatorial Airlines" on the routes linking the two countries. The new airline has mixed public and private capital. TAAG alleges such a deal would leave it at a commercial disadvantage because the massive accumulated debts of the former São Tomé airline have not been passed onto the new company for settlement. São Tomé's partner in the new airline is a British company with interests in Angolan diamond fields. The company "Intraco" is represented by a German identified only as Hellinger. Its planes are chartered. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 5] /13046

SONANGOL RESCINDS SWEDE'S CONTRACT--SONANGOL, the Angolan state oil company, has rescinded a consulting contract worth one million dollars a year, it had in London with a Swedish expert, Stellan Lundqvist. The contract was considered "scandalous" (See AC No 13 page 5) and had led to friction between the Minister of State Maria Mambo Café and the Sonangol director-general Herminio Escórcio. The cancellation of the contract involves a penalty which will cost Angola 15-18 million dollars to be paid by supplying the Swede over a period of time with 10,000 barrels of oil which he will sell for his own account. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 5] /13046

MENTAL ILLNESS INCREASING--A number of pre-fabricated buildings to house the dozens of mentally ill patients who have appeared on Luanda's streets in recent years, have been erected in a Luanda suburb between the airport and Futungo de Belas. The measure was taken because the only psychiatric hospital functioning in Luanda is totally saturated. Not only does it have no more room for hospital cases but outpatients are only attended to after lengthy waits. Two Luanda nursing homes Alvalade and Miramar, formerly used for psychiatric cases, are now housing Soviets and Cubans. The number of mental cases detected has been growing at a fast pace. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 6] /13046

AIRFORCE COMMANDER IN PORTUGAL--Colonel Alberto Neto, commandant of the Angolan Air Force (AAF), paid an unpublicised visit to Portugal at the end of January to discuss plans for maintenance and servicing here for Angolan military aircraft and also for pilot training. Major servicing of AAF's "Alouette-3" helicopters are carried out in the workshops of the Portuguese Airforce which has civilian technicians stationed in Angola for day to day servicing of these aircraft. The AAF is apparently interested in extending this co-operation to include servicing of Spanish-made "Casa" light aircraft purchased in 1986. At the moment some 40 Angolans, including some military officers with the rank of Lieutenant and Captain, are undergoing pilot training at a civilian airschool at Tires outside Lisbon. Until recently basic AAF pilot training was carried out at Negage base in northern Angola with the help of Romania. The Romanians withdrew in circumstances which have not yet been clarified. Alberto Neto was accompanied by a fellow airforce officer, Major Cavuma and by José Inácio, director of a Defence Ministry firm, EMATEC, which trades on the international arms market. The party went on to Switzerland from Portugal. [Text] [London AFRICA CONFIDENCIAL in English Feb 87 p 6] /13046

FAPLA MEMBERS THWART ATTACK--The glorious FAPLA combatants who recently thwarted an enemy action to destroy the bridge over the Cuquema River, 30 km southwest of Cuito, the capital of Bie Province, have been praised by the party's provincial committee and the commanding body of the 4th military region. The praises were conveyed by Marcolino Mouco, Bie's first secretary of the MPLA-Labor Party's provincial committee and deputy chairman of the military council of the 4th region. On the occasion, the combatants received awards for their example of organization and vigilance, which resulted in the thwarting of the racist RSA-backed bandits. [Text] [Luanda Domestic Service in Portuguese 0500 GMT 9 Apr 87 MB] /12624

FAPLA KILLS 'ARMED BANDITS'--The Angolan armed forces have foiled an attempt to attack Chela municipality in Cuanza Sul Province by killing 11 armed bandits and capturing another. The attempt was made early on 6 April and the bandits killed 10 civilians in cold blood. FAPLA's prompt action, however, completely thwarted the bandits, who left behind large quantities of war materiel of South African origin. In March, the Angolan armed forces launched several mopping up operations in Benguela Province, killing 19 bandits. A total of 120 civilians who had been forced to live with the bandits under inhuman conditions were released and placed in more secure areas. The operations of the Angolan armed forces occurred in the municipalities of Ganda, Cambambe, and Chongoroi. [Text] [Luanda Domestic Service in Portuguese 1900 GMT 11 Apr 87] /12624

ANGOLA, DPRK SIGN AGREEMENT--Luanda, 11 Apr (ANGOP/PANA)--Angola and North Korea have signed an agreement for cooperation in the fields of agriculture, phosphates production, [word indistinct] and hydroelectric dam construction. The agreement was signed on Wednesday at the end of a four-day official visit to North Korea by Angolan President dos Santos. Under the agreement, North Korea will assist Angola to improve on its production of maize, rice, vegetables, and cotton for both domestic consumption and exports. The agreement also provide for a Korean participation in the building of a hydroelectric dam and the construction of a building to be used for cultural activities in Angola. A team of Korean experts is expected to visit Angola from 15-20 April for a technical study of projects to be undertaken under the cooperation agreement. [Text] [Dakar PANA in English 0912 GMT 11 Apr 87 MB] /12624

CSO: 3400/527

BRIEFS

BOTSWANA CITIZENS INVITED TO APPLY--The Ministry of Education invites applications from qualified Botswana citizens to pursue undergraduate courses in the Soviet Union. Candidates must have passed the Cambridge overseas school certificate or its equivalent with credits in mathematics and a science subject and either a credit or a pass in English language. The courses offered are in the fields of electrical engineering, in the areas of power stations and aircraft maintenance; mechanical engineering, in the areas of agricultural machinery, construction, and road building; and radio engineering in the areas of communication and broadcasting, and aircraft radio maintenance. Others are architecture, civil engineering, agronomy, veterinary science, agricultural engineering, medicine, sanitary science, and training for coaches and physical culture and sports. Applications from serving officers must be routed through heads of department and employers. Candidates must be between 19 and 27 years and the interval between their completion of school education and the time of application should not be more than 3 years. Applications should reach the Ministry of Education, private bag 005, Gaborone, by 13 April. [Text] [Gaborone Domestic Service in English 1110 GMT 8 Apr 87 MB] /12624

CSO: 3400/526

COMMUNIQUE ISSUED AT END OF TALKS WITH FRG DELEGATION

AB112221 Ndjamenia Domestic Service in French 1330 GMT 11 Apr 87

[Text] The FRG-Chad intergovernmental delegations ended their deliberations this afternoon at the Ministry of Foreign Affairs and Cooperation. The FRG financial assistance to Chad for the year 1987 was 7 billion CFA francs. A ceremony took place in the presence of the members of the two delegations and experts from the various ministries concerned with the projects. The Chadian side was led by (Michel Cloud), director general of the Ministry of Foreign Affairs and Cooperation, while the FRG side was headed by Dr (Goethe Pruech), director of cooperation with Africa at the Federal Ministry of Economic Cooperation. Let us listen to the final communique, read by [name indistinct] deputy director of cooperation at the Ministry of Foreign Affairs:

[Cooperation Director] Within the framework of the annual Chad-FRG meetings, an FRG delegation headed by Dr (Goethe Pruech), director of cooperation with Africa at the Federal Ministry of Economic Cooperation, visited Chad from 4 to 11 April 1987. During its stay, the delegation went to Bongor, Pala, and Sarh to visit the project sites. It was received on 10 April 1987 by his excellency the president.

It also paid a courtesy call on the secretary of state for foreign affairs and cooperation, to the minister delegate at the presidency [words indistinct], to the minister of commerce and industry, the secretary general at the presidency, and to the director general of the Ministry of Foreign Affairs and Cooperation.

The FRG delegation held intergovernmental negotiations with the Chadian delegation headed by (Michel Cloud), director general of the Minsitry of Foreign Affairs and Cooperation, on financial and technical cooperation between the government of the FRG and Chad. The negotiations took place in an atmosphere of friendship, frank collaboration, and of perfect understanding. The two delegations took stock of and examined the prospects of (?strengthening) their bilateral cooperation [words indistinct]

The two delegations confirmed the concentration of their [word indistinct] cooperation in the regions of Mayo-Kebbi and Ouaddai. The FRG-Chad intergovernmental negotiations ended on 11 April 1987 with the signing of a final communique by the leaders of the delegations -- (Michel Cloud), director general of the Ministry of Foreign Affairs and Cooperation; and Dr (Goethe Pruech), director of cooperation with Africa at the Federal Ministry of Economic Cooperation.

The new resources put at the disposal of financial and technical cooperation in 1987 stand at 7 billion CFA francs representing a remarkable increase compared with 4 billion CFA francs in 1986. The principal projects in the Ouaddai region are the acceleration of the planning of regional development projects, the planning of the [name indistinct] - Abeche road, provision of good drinking water for the township of Abeche, the animal health center in [name indistinct], as well as the development of Ouadi.

In the Mayor-Kebbi region, the projects include the acceleration of the planning of regional development projects [words indistinct] the maintenance of wells and a pastoral water program. Additionally, the cooperation projects include a professional training project at the Sarh Technical Training College.

The FRG delegation disclosed that it is with much attention and sympathy that the FRG Government has been following the efforts of the Chadian Government -- helped by friendly countries -- to achieve reconciliation, restore national unity, and ensure the territorial integrity of Chad.

The FRG delegation expressed to the government and people of Chad its sincere gratitude for the warm and friendly welcome accorded it during its stay. The Chadian delegation expressed its thanks and gratitude to the FRG Government for its kind and selfless contribution to the social and economic upliftment of Chad and hoped for (?an increase in the bilateral assistance in the year to come).

Issued in Ndjamena on 11 April 1987.

/12624
CSO: 3400/528

MINISTER CONFIRMS NACALA SECURITY

In Beira to Deliver Message

MB121919 Maputo Domestic Service in Portuguese 1730 GMT 12 Apr 87

[Text] Malawian Minister of Transport Edward Bwanali has refused to discuss the situation in Mozambique on the grounds that he is not a resident of this country. The Malawian minister was answering a question during a press conference held at the Beira International Airport this afternoon.

A Malawian delegation travelled to Beira to deliver a personal message from President Kamuzu Banda to President Joaquin Chissano. This content of the message was not disclosed.

Malawi is one of the SADCC countries and benefits from the Beira corridor project. Commenting on the Nacala railroad, the Malawian minister of transport said that his country not only takes part in the rehabilitation of the line, but also in its security.

Edward Bwanali and his delegation returned to Malawi today. The delegation, which delivered a message from President Banda to the Mozambican leader, also included Minister of Trade, Industry and Tourism Watson Deleza; the commander of the armed forces; the inspector general of the police; the private secretary of President Banda; and the secretary general of foreign affairs.

Returns Home from Mozambique Visit

MB121929 Blantyre Domestic Service in English 1800 GMT 12 Apr 87

[Text] A high-powered Malawi delegation has returned home from Mozambique where it was sent by His Excellency the Life President Ngwazi Dr Kamuzu Banda. The 17-man delegation, which was led by the minister of transport and communications, Mr Edward Bwanali, delivered a personal letter from the life president to Mozambican leader, Mr Joaquim Chissano. MANA reports that the Malawi delegation met the Mozambican leader in Sofala Province, which he is currently touring.

Speaking to MANA on arrival from Beira this evening, Mr Bwanali said he had brought back a message from president Chissano to the life president. The Malawi delegation also discussed matters of common interest with its Mozambican counterpart while in Beira.

ENVOYS PRAISE RELIEF WORK FOR DISPLACED MOZAMBICANS

Blantyre DAILY TIMES in English 10 Mar 87 p 3

[Text]

THE American charge d'affairs, Mr. Denis C. Jett, and the German Embassy deputy head of mission, Dr. Heinz Beir have commended the Malawi Government and the Red Cross Society for the sound administration of the relief programme for displaced Mozambicans in Nsanje district.

The two envoys made the remarks after touring Mankhokwe Camp, 30 km South of the district close to Malawi-Mozambique border.

The officials said they went there to see for themselves the living conditions of the displaced people.

The camp is estimated to have 61,000 Mozambicans. The diplomats said that "it is very encouraging to note that the large number of Mozambicans, including children, are healthy.

They said it was very gratifying to note that the relief aid which the Malawian Government and the Malawi Red Cross Society received from all donor agencies was utilised and that the displaced people were benefiting from the aid.

They suggested that more donors should help Malawian efforts to improve the relief programme in all the camps.

Mozambican refugee camps have been established in Mulanje district at Muloza, Dedza, Ntchewu, Chikwawa and Nsanje — all along the country's border with Mozambique.

Among these camps, Nsanje district has the largest number of displaced Mozambicans which have now been estimated to total 100,000 people.

The West German Government and its Red Cross Society last month donated 40,000 blankets, soap and cooking utensils to the Malawi Red Cross Society for distribution to the displaced Mozambicans.

Mr. Jett and Mr. Beir were accompanied by the chairman of the Malawi Red Cross Society, Justice Jere, and the society's general secretary, Mr. D. Z. Mkandawire.

During the visit, the team also awarded Red Cross membership certificates to 100 volunteers

who completed a two-week course in primary health care last December.

Justice Jere thanked the Ngwazi for the prevailing peace and calm, law and order which have contributed to the success of the relief programme here for the Mozambicans.

He also thanked American and West German governments for the generous assistance they rendered to the Red Cross Society which, he said, had benefited the displaced Mozambicans.

He said he hoped that donors would continue to give support to Malawi Red Cross in order to carry out the charitable activities.

The two envoys and the Red Cross officials also visited Mulanje district.

— Malawi News Agency

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CSO: 3400/540

MAURITIUS

RECORD SUGAR PRODUCTIVITY REPORTED

Port Louis L'EXPRESS in French 6 Feb 87 pp 1,5

[Text] Considering the spectacular reduction in land area harvested for sugar since 1973, the 1987 "cup" showed record sugar productivity per hectare: 9.1 metric tons (3.84 tons of sugar per French acre, equivalent to 1.5 English acres). The previous record goes back to 1973 and was 8.72 metric tons per hectare (3.75 tons per French acre). "This very important factor demonstrates that we have made considerable progress in comparison to 1973".

This is the principle conclusion of an analysis of the 1986 sugar harvest made by the Chamber of Agriculture, and which appeared in the February issue of PROSI, the sugar industry's public relations bulletin.

It should be noted, moreover, that on the regional level, 1986 was the year of the north. This region, which from 1981 to 1985, accounted for 21.7 percent of national production, after having accounted for 26.4 percent from 1976 to 1980, recovered its ranking somewhat, since its part of national production was once again greater than 25 percent in 1986 (25.14 percent). The south, which recently accounted for nearly 35 percent (1981-1985) of national production, saw its share fall to 32.05 percent--a more reasonable proportion, considering the droughts that have recently affected the north.

With respect to revenues from the harvest, several positive factors contributed to securing a reasonable price for producers. First of all, there was a slight improvement in the world market price, and a favorable evolution in monetary compensation and in the rupee/sterling pound exchange rate.

These factors will undoubtedly soften the effect of other, more negative aspects, such as the large quantity of sugar to be sold on the world market at prices below production costs and the drop in the American quota.

Control of inflation, which will have a beneficial effect on producer's expenses, is the main element to note in the area of production costs.

Overall, then, the financial situation in 1986 will be better than it was in 1985. However, 1986 results must be placed within the context of previous years' losses and the need to have a reasonable profitability rate over the long term, in order to reimburse debts, update materials, compensate stockholders and increase diversification, must be emphasized.

In its discussion of the social aspects of the harvest, the analysis pointed out that some establishments were short of cane during the campaign. This was due to problems of absenteeism and productivity and to increasingly scarce manpower as a result of Mauritius' development in all sectors: free zone, tourism and agriculture.

The 1986 harvest, the analysis concludes, was a good one physically and economically, but raises certain social questions, in particular, a potential, future lack of manpower.

9825

CSO: 3419/110

MAURITIUS

SUGAR INDUSTRY EFFICIENCY TO BE STUDIED

Port Louis L'EXPRESS in French 8 Feb 87 pp 1,7

[Text] The Maurician government has approached foreign firms who will be responsible for conducting the different studies that will be used to compile the "Sugar Industry Efficiency Study" (SIES).

As the reader knows, it is the government and the World Bank who decided the SIES was going to be prepared, during their latest discussions of the Action Plan concerning restructuring of the sugar industry.

The sugar industry's collaboration with foreign experts will also be necessary to complete the studies. The SIES is expected to be ready in January, 1988, so that the government and World Bank can make, based on the report, the decisions necessary to implement it.

According to our information, the different studies will begin starting next March.

The SIES will consist of six main elements.

First, there is the matter of standardization of the accounting systems used by different sugar establishments. No difficulty is expected in this area. It is even pointed out, in the circles concerned, that most of the accounting in this sector (about 75 percent) has already been standardized.

The sugar industry's assets ("Mill & State Assets") will also be reevaluated; this should be done simultaneously for all sugar companies.

Another component will be the "Policy Options" of the government, which will be announced in light of the studies and will allow the government to decide which measures to take with respect to the sugar industry--in the area of taxes, for example. Recommendations will also be made on existing policies.

Another component of the SIES is the separation of sugar industry property into goods and factories, as separate companies have been set up for the two aspects. This will also include a study on the possibility of expanding the stockholder base in this sector, allowing planters and the general public to own stock in the companies.

There will also be a study on manpower production and the manner in which manpower is generally used in the sugar industry.

A final segment will focus on the production and use of fertilizers in Mauritius.

All this work will be carried out under the general responsibility of the government through the "Sugar Authority"; the World Bank will also be involved, as its role will be to approve the decisions to be made after publication of the SIES.

Obviously, the SIES is only one element of the Action Plan and the government is already involved in implementing other aspects, suchas the "Farm Service Sectors", improving production of small planters (in this regard, three resource centers for farmers are being built or have already been completed), rationalization of factories, and programs to improve research and production of electrical energy using cane-trash--all under the monitoring of the World Bank.

9825
CSO: 3419/110

MAURITIUS

CHANGE IN SUGAR EXPORT TAX STUDIED

Port Louis L'EXPRESS in French 22 Feb pp 1,7

[Text] The government is now aware that a new revision in the sugar "Export Duty" may be necessary and is prepared to examine sugar export taxes on a regular basis in order to guarantee an "acceptable return on investment". In such a context, other modifications, i.e. a new rationalization of the sugar export tax, could be introduced to promote efficiency in the sugar industry.

The government's position on this point was expressed by the minister of finance, Vishnu Lutchmeenaraidoo, in the French capital at the Consultative Group meeting the 17 and 18 of February.

Indeed, in 1985, the current government revised the sugar export duty, making it retroactive from 1984, in order to:

- (i) correct certain anomalies that had up till that point hindered growth in productivity, and
- (ii) at the same time "to improve profitability of the sugar industry".

Easing the Pressure

The government estimates that this rationalization saved the sugar industry 100 million rupees. In a report submitted to the meeting of the Paris Consultative Group entitled "Considerations on the Medium and the Long Term Development of Cane Sugar Factories in Mauritius", the private sector stresses that the sugar industry has suffered losses during the last seven years because of the sugar export duty. It adds that these losses and lack of liquidity will continue to grow unless the government and private sector act jointly to improve the efficiency of this industry.

655 Million Rupees in Debts

The indebtedness of the sugar companies is another indication of the precarious financial situation of this sector. From 1977 to 1986, the sugar industry's loans and bank overdrafts more than doubled, jumping from 235 million rupees to 655 million rupees.

The situation deteriorated to the point that two of Mauritius' 21 factories, "Reufac" and "Solitude", were forced to shut down operations.

SUGAR INDUSTRY DEBTS SINCE 1985

YEAR	DEBTS (in millions of rupees)
1985	610
1986	655

Other Shutdowns Planned

The government's decision to authorize factory closures is consistent with its policy of insuring the viability and international competitiveness of the sugar industry. It has already been decided that the government will give the go-ahead for the closure of any sugar factory whose shutdown is part of a centralization and modernization program. Moreover, the "Five Year Sugar Action Plan" (1985-1990) projects the closure of three other sugar factories, specifically St. Antoine, Rose-Belle and St. Felix, which means the number of factories may drop to 16 in 1991.

To implement this plan, the government solicited and was accorded financial aid of 400 million rupees (30 million dollars) from the World Bank last year. This aid package was to be used primarily for carrying out the first phase of the action plan.

A detailed cost run-down of the second phase has not yet been calculated. It will be as soon as certain studies, including the "Sugar Industry Efficiency Study" (SIES), have been completed, in addition to other studies aimed at revitalizing and restoring the vitality of the sugar industry.

650 Million Rupees to Be Invested in the Second Phase

The report presented by the minister of finance in Paris, "A Program for Restructuring the Sugar Sector", discusses the need to invest an additional sum of 650 rupees (50 million dollars) to implement the second phase of the action plan. It is quite possible that the second phase will commence before 1991, "depending on how fast the present phase itself progresses and how soon concrete investment plans are made available".

190 Million Rupees for Irrigation

Moreover, medium-term investments in the irrigation sector, primarily to improve distribution, will amount to approximately 190 million rupees.

In addition to authorizing the closure of inefficient and unprofitable factories and reducing the sugar export duty, other government policy measures include reducing the property transfer tax and the revenue tax rates and improving the productivity of small planters.

Short-Term Measures

In the government's view, there is no question that reducing the sugar export duty and authorizing the shutdown of certain sugar plants are only short-term measures. They will help reduce production costs and prevent productivity from falling, while allowing a certain degree of centralization.

Long-term objectives include:

- (i) reducing Mauritius' sugar sales on the world market
- (ii) promoting efficiency through various means
- (iii) optimizing use of cane by-products

Certain countries and international financial organizations have up until now been hesitant to provide aid to the sugar sector, for fear that such assistance would cause a rise in world sugar production. Mauritius, mindful of the instability of the world sugar market and of the problems this may cause sugar-producing and exporting countries, has consequently decided to reduce as much as possible its sale of sugar on the open market.

9825

CSO: 3419/110

BRIEFS

PROTOCOL SIGNED WITH HUNGARY--In Maputo this afternoon, Mozambique and Hungary signed a labor protocol for 1988-89. Under the protocol, eight members of the OTM [Mozambique Workers Organization] will attend a course in labor matters given in Portuguese in the People's Republic of Hungary next year. In 1988 and 1989, the Hungarian Trade Union council will receive (?62) Mozambicans a year for professional training, for a total of (?124), 1 of whom will also receive higher education. In the same period, four OTM members will benefit from medical assistance in Hungary. Within the framework of the protocol, the OTM will receive material aid in 1988-89 from the Hungarian Trade Union Council. The protocol was signed by the OTM deputy secretary general, Jose Correia Ganancio, and the secretary of the Hungarian Trade Union Council for external relations [title as heard], Frerenc Solyom. [Text] [Maputo Domestic Service in Portuguese 1730 GMT 6 Apr 87 MB] /12624

GUEBUZA DISCUSSES LIMPOPO CORRIDOR--Transport and Communications Minister Armando Guebuza has told the NOTICIAS newspaper that during his visit to Zimbabwe, he and the Zimbabwean authorities analyzed the current state of cooperation in the Limpopo corridor, especially its financial and productive aspects. Armando Guebuza added that Great Britain is financing the rehabilitation of the Limpopo railroad, while Mozambique and Zimbabwe are involved in the production side of the project. He was speaking soon after arriving at Maputo airport from Beira, where he had gone on a working visit after visiting Zimbabwe and Malawi. [Text] [Maputo Domestic Service in Portuguese 0800 GMT 10 Apr 87 MB] /12624

MINISTER NOTES GROWING INTERNATIONAL PORTS--Minister of Transport Armando Guebuza [title as heard] has said tariff reductions by the South African Transport services do not outweigh the benefits to landlocked countries of using Mozambican ports. The tariff reductions are designed to draw Mozambique's clients to use South African ports. Guebuza noted that despite this, landlocked countries' interest in using Mozambican ports is growing. The minister pointed out that it is faster for landlocked countries to use Mozambican ports as opposed to South African ports. [Excerpt] [Maputo Domestic Service in Portuguese 1030 GMT 10 Apr 87 MB] /12624

OIL TANKER TERMINAL CONSTRUCTION--Norway will spend \$10 million in the construction of an oil tanker terminal at the port of Beira. The terminal will accommodate tankers with a capacity of up to 60,000 tons. Once it has been rehabilitated, the port of Beira, which was toured by President Joaquin Chissano yesterday, will be capable of handling 8 million tons of assorted cargo every year. The new oil tanker terminal will serve mainly Zimbabwe, which presently imports fuel carried by tankers with a capacity of up to 25,000 tons. The rehabilitation of the port of Beira will serve to strengthen the economic independence of SADCC countries from South African ports. [Text] [Maputo Domestic Service in Portuguese 1030 GMT 12 Apr 87 MB] /12624

ARMED FORCES DESTROY 'BANDIT' CAMPS--Ten camps of the armed bandits were destroyed by the Mozambican armed forces between January and March this year in the southern region of Sofala Province. In these operations, 17 bandits were killed, 2 captured, and 5 akm weapons were seized, among other war materiel. The offensive by the Mozambican armed forces also resulted in the release of 500 civilians who were forced to live with the armed bandits. [Text] [Maputo Domestic Service in Portuguese 1730 GMT 9 Apr 87 MB] /12624

POLICE TO ESCORT PUBLIC TRANSPORTATION--The Manica Provincial Assembly Standing Commission stipulated a few days ago that public transport vehicles would henceforth be escorted by traffic police on the Machipanda-Inchope route. The measure is aimed at providing greater passenger security. The traffic police also will be in charge of identifying travelers and checking luggage, meaning that buses will no longer be searched at control posts. This measure does not cover private vehicles -- cargo or passenger vehicles -- and private and chartered buses, which will continue to be searched at control posts. [Text] [Maputo Domestic Service in Portuguese 0900 GMT 8 Apr 87 MB] /12624

FAMINE RELIEF IN SOFALA HAMPERED--Over 78,000 people are affected by famine in Maringue District, Sofala Province, because of drought and armed bandit actions. A report from the Sofala Department of Prevention of and Fight Against Natural Disasters lists the following needs: 8,452 tons of cereals, 1,409 tons of beans, an equal quantity of edible oil, and 704 tons of sugar and other consumer goods. The people also need domestic articles such as pots, cups, plates, stoves, and other goods used in preparation and distribution of foodstuffs. Nonwithstanding the efforts mounted by the Department of Prevention of and Fight Against Natural Disasters to minimize these requirements, it has faced problems in the dispatch of basic products to this and other districts because of the poor condition of access roads. [Excerpt] [Maputo Domestic Service in Portuguese 1030 GMT 8 Apr 87 MB] /12624

CSO: 3400/537

SECURITY FORCES REPORT ON RECENT INCIDENTS

MB121553 Johannesburg SAPA in English 1500 GMT 12 Apr 87

[Text] Windhoek, 12 Apr (SAPA)--Police investigations were underway into a bomb blast at Nkongo in eastern Ovambo, which killed a mother and her child on Friday afternoon, a security forces spokesman said in Windhoek today. The spokesman reported that 22 more civilians were seriously injured in the blast at a shop in the bush, which, he said, had been caused by SWAPO's armed wing, PLAN. [People's Liberation Army of Namibia]

Killed in the explosion were a teacher of the Oshela higher primary school in Ovambo, Mrs Biata Nepembe, and her six-month-old daughter, Martha.

Reporters who visited the scene said the wounded had been flung as far as 20m from the epicentre of the blast, and air-borne debris from the buildings had all but severed a woman's left breast. A man's legs were shot away and he lay groaning among tens of others injured, wracked with pain. Members of the security forces who arrived minutes later saved several victims by prompt action. They were taken to the nearest military hospital for emergency treatment, the security forces spokesman said.

He reported that South African-led security forces in northern SWA/Namibia had shot and killed 10 SWAPO insurgents in skirmishes in the last five days, which brought to 420 the number of SWAPO fatalities to date this year.

Meanwhile, reports in Windhoek today related how two SWAPO insurgents had kicked and robbed the bodies of two civilians killed in a landmine explosion near Onkanolo in northern SWA/Namibia last Monday. A survivor of the blast, Mr Lucas Nakwatumba, said the insurgents had emerged from the surrounding bush shortly afterwards and laughed, saying "thanks for detonating the mine". One of the attackers removed about R2000 from one of the bodies and took a dead man's boots. Mr Nakwatumba said the eight occupants of the civilian-owned vehicle were on their way to the scene of an earlier attack by SWAPO on a nearby village. They were carrying aid in the form of food and money, according to the reports.

A former SWAPO insurgent, captured by the security forces, said he had been abducted by SWAPO fighters from his home in northern SWA/Namibia by PLAN members about nine years ago. The abductee, Mr Philipus Shomele, 18, told news correspondents he had spent most of his time in SWAPO's Nyango

reorientation camp in Zambia, but he later became weary of war and decided to establish for himself whether conditions were as bad in SWA/Namibia as implied by SWAPO's military instructors. He surrendered to the SWA/Namibian security forces on January 30 this year and now planned to join the SWA Territory Force.

An Angolan citizen, Mr Francesco Novanda, said in an interview in northern SWAN/Namibia with military reporters that SWAPO insurgents had dragged him from his home in southern Angola late last month and accused him of collaborating with the security forces in the territory. After being tortured, he later managed to escape and sought refuge with a security forces unit south of the Angolan border with SWA/Namibia. Mr Novanda said he now wanted permanent accommodation in SWA/Namibia, as he no longer dared to go back to Angola for fear of reprisals by the authorities.

/12624
CSO: 3400/528

RESPONSES TO POSSIBLE SECOND TIER ELECTIONS DIFFER

Garoeb Rejects Offer

Windhoek THE WINDHOEK ADVERTISER in English 4 Mar 87 pp 1, 5

[Article by Jim Freeman]

[Text]

DAMARA COUNCIL leader Justus Garoëb has rejected the Administrator-General's offer of second-tier elections in return for participation in the Transitional Government.

Opening the first extraordinary session of the second Damara Legislative Assembly at Khorixas, he said: "Under these circumstances, where our rights and all democratic norms are raped and our humanity is violated obscenely, we cannot be expected to offer our co-operation."

The Damara Council leader said the party was irrevocably committed to United Nations Security Resolution 435 and as such rejected South Africa's legal right to rule Namibia.

However, Mr Garoëb said, the party was not blind to the realities of the situation and recognises — without consideration of the negative influence on the rights of all Namibians — South Africa's presence and resultant interests in the Territory.

"It gladdens our hearts when South Africa, in the person of the Administrator-General, states the view that: 'The people of Namibia should themselves decide on their constitutional future, but by that is meant their widest possible participation in a consultative process.'

'In order to obtain the approbation of the SA government or to promote the legitimisation of the process in the international community, it seems necessary that, at least, a clear majority of eligible voters should be consulted and that their leaders will not be exposed to a simple take-it-or-leave-it ultimatum but will have the fullest possible opportunity of participation in the formulation of constitutional proposals.'

Mr Garoëb continued,

"(T)he objection that we, as a founder member of the Multi-Party Conference had then, and still have today, is that the MPC breached the faith of the people of Namibia by being inaugurated as a government contrary to its intentions and without the blessing of the people".

"In addition to the struggle we have waged for years against South Africa for freedom and independence, we hold SA responsible for all the harm the Transitional Government has sown."

By inaugurating the MPC as the Transitional Government, the South African had already subjected Namibians to the 'take-it-or-leave-it ultimatum'.

Mr Garoëb told the Legislative Assembly that while the Damara Council supported the principle of a transitional government, the present TG was doomed to failure.

"The only way it (the TG) will be able to exercise its authority is by violently subjecting the people of Namibia and/or financially strangling the representative authorities.

Mr Garoëb added that he viewed the second-tier authorities purely as administrative bodies coupled to the

status quo. However, these would be abolished with independence.

The Damara Council stated its intention to continue negotiations with the two principle parties in the Namibian struggle; South Africa and Swapo.

The Administrator-General's controversial speech to the Transitional Government last week aimed mainly at getting the TG to broaden its base of support in Namibia's constitutional development.

Mr Pienaar hoped that by offering second-tier elections

to the Owambo (Mr Peter Kalangula), Damara (Mr Garoëb) and Kavango (Mr Rudolph Ngondo) Administrations, he could entice the present 70% of Namibia's population not involved in the constitutional debate to the conference table.

In a telex to the Administrator-General yesterday, Mr Ngondo said it was "very encouraging that South Africa did not stand in the way of ethnic elections".

The Kavango leader asked for an election in September.

Mr Kalangula is expected to answer Mr Pienaar's offer at the opening of the Owambo Legislative Assembly at Ongwediva next week.

Kalangula Accepts Elections

Windhoek THE WINDHOEK ADVERTISER in English 10 Mar 87 pp 1, 3

[Article by Jim Freeman and Jean Sutherland]

[Text]

THE OWAMBO Administration has accepted the Administrator-General's offer of an election among Namibia's largest population, but on the proviso that participation in the constitutional council is not an immediate prerequisite.

And in Windhoek, the National Party is expected to call for elections when the White Legislative Assembly opens this afternoon.

These developments, which could considerably impact the 'face of internal politics' in Namibia emerged this morning as the Owambo Legislative Assembly sat and the whites prepared to do battle in Windhoek.

If Mr Peter Kalangula's ruling Christian Democratic Action for Social Justice is returned with a clear majority, the party will join the CC.

This was the message spelled out at the lightning special session of the Owambo Legislative Assembly this morning.

Chief CDA adviser, Mr Werner Neef, told The Advertiser that Mr Kalangula had not retreated in his belief of the United Nations settlement plan as the blueprint for Namibian independence.

The CDA did not see an election in Owambo as an ethnic vote, but as the opportunity to let the people of the region for the first time express their opinions.

Mr Neef said if the CDA was resoundingly defeated in an Owambo election, the party would pack up and go home in

the realisation that the people of the region had been represented in the TG by the DTA all along.

The CDA acceptance of Administrator-General Louis Pienaar's offer of a straight swap between second tier elections and participation in the national constitutional debate comes as a considerable surprise.

But the reasoning behind the acceptance reveals little change from the stance that alienated Mr Kalangula from Mr Dirk Mudge when the CDA was a member party of the DFA.

If Mr Kalangula is returned as chairman of the Owambo Administration — perhaps returned is a misnomer — he will claim to represent at least a third of all Namibians and consequently demand a third representation in the three main bodies of the TG: the CC, the Cabinet and the National Assembly.

While this might find little, if any, approval with the TG, who hold the right of granting elections to the representative authorities, it will hold considerable sway with Mr Pienaar.

In Windhoek, the NP is expected to table a motion calling for white elections, something

which is expected to be strongly opposed by the Republican Party.

The RP, in turn, is expected to table a motion on education, probably pushing for open schools.

All eyes will be on the handful of 'Van Zijl' Nats to see which way they will vote on crucial issues, following their fall-out with the traditional party hierarchy and departure from TG institutions.

While, they could well join with the RP in opposing a white election, observers feel it is unlikely they will favour the RP education motion.

These developments come in the wake of the Administrator-General's bombshell at the opening of the National Assembly a fortnight ago when he said SA was prepared to consider resuming certain functions of the Transitional Government if the TG did not do its utmost to broaden its base of support among Namibians.

In his opening speech to the Owambo LA this morning, Mr Neef revealed that Mr Kalangula had very recently been requested by the Administrator-General to come out of his political corner.

He, however, denied to The Advertiser persistent Windhoek rumours that he had had direct talks with President Botha, saying the last time Mr Kalangula had travelled to South Africa was eight months ago when the CDA chief had met Foreign Minister Pik Botha.

Mr Neef also disclosed Mr Kalangula had been invited to join recently-deposed Nat Party Agricultural Minister Eben van Zijl's newly-founded Action National Settlement as fellow director.

Mr Kalangula had refused following Mr van Zijl's alleged refusal to consider an Owambo election to present the Owambo politician with a negotiating mandate.

Acceptance Explained

Windhoek THE WINDHOEK ADVERTISER in English 11 Mar 87 p 1

[Article by Jim Freeman]

[Text]

A LAST-GASP attempt to prevent full control of Owamboland falling into the hands of the security forces prompted Mr Peter Kalangula's acceptance yesterday of second-tier elections in the region.

Opening the extraordinary session of the Owambo Legislative Assembly yesterday, CDA chief adviser Werner Neef pointed out that while the offer of elections in return for participation on the Constitutional Council was a flawed one, it was the "first serious and cautious step towards conciliation".

However, Mr Neef sketched the background to the Owambo Administration leader's acceptance of the offer made by the Administrator-General before the National Assembly a fortnight ago.

During talks with the South African State President, Mr Louis Pienaar had undertaken to bring Mr Kalangula into the Transitional Government.

There had been repeated failures and Mr Botha had begun to lose patience.

Mr Neef disclosed that Mr Pienaar's offer of an elections/Constitutional Council participation swap had been the last offer the Administrator-General could have made.

If Mr Kalangula had not accepted the offer, the Administrator-General would have had to relinquish his political ambitions for the South African government in Owambo.

All power in the region would then have passed into the hands of the security forces, said Mr Neef.

This would have spelled the end of any political attempt at reconciliation in the region, he added.

There is a long-standing dispute between the South African military and the Department of Foreign Affairs (DFA) on how Mr Kalangula should be involved in the government of the area.

The army wants little or nothing to do with Mr Kalangula - except on an administrative level, while DFA feels he holds one of the most important keys to a successful national government in Namibia.

Mr Neef said in his speech at Ongwediwa: "Depending on the actions that South Africa and all the other South African institutions in Namibia will take from now on in the interest of conciliation, self-determination and democracy ... the Administrator-General may have succeeded to lay a new foundation for a whole new attitude towards South Africa (in Owambo)."

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CSO: 3400/529

WHITE POLITICS SAID TO BE POISED FOR NEW ALIGNMENT

Windhoek THE WINDHOEK ADVERTISER in English 13 Mar 87 pp 1, 3

[Article by Jean Sutherland]

[Text]

WHITE POLITICS was this morning on the brink of a new realignment as members of the Legislative Assembly debated an education motion by Nat 'rebel' **Frans van Zyl**.

There is strong speculation that Mr van Zyl will be supported not only by the Republican Party but from within National Party ranks.

In dispute is the sensitive education issue, and what exactly not having race and colour as criteria of admission to schools means.

Political observers pointed out that if Mr van Zyl's motion is carried, the next logical step would be for a vote of 'no confidence' in executive chairman Mr Kosie Pretorius to be tabled.

It is believed that former NP deputy Minister, Mr Tinus Blaauw, and LA member Mr Fanie Vilanel could support Mr van Zyl.

However, because of the nature of Nat politics, no-one was prepared to bet on the outcome.

In what is seen in some circles as an attempt to try and stave off such a situation, Mr Pretorius has tabled an amendment, ostensibly to try and clarify "vague areas".

Although education is being used as a 'charger', it is believed the matter goes much deeper and wider, and is also related to the struggle for the "heart of the NP".

Last year Mr van Zyl's brother, former NP Cabinet Minister Eben van Zijl, and virtually all the NP's representatives in the Transitional Government were axed or forced out - apparently over "interpretation of party principles".

At the time Mr van Zijl told The Advertiser he would always remain a Nat, and "time will tell" whose interpretation was closest to Nat principles.

Since then, the veteran politician has since initiated a new self-styled non-political group, Action National Settlement.

Tabling his motion, Mr van Zyl said he was doing so as an individual.

WHITE ADMINISTRATION SEEKS CENTRAL GOVERNMENT FUNDS

Windhoek THE WINDHOEK ADVERTISER in English 13 Mar 87 p 3

[Text]

THE White Administration is to resume claiming its central government allocation as its reserve fund had dwindled dangerously.

This was said by executive chairman Mr Kosie Pretorius in the White Legislative Assembly yesterday.

"The executive committee has already decided that when the 1987/88 budget is drawn up...we will include the formula amount allocated to us by the central government," Mr Pretorius said.

"We will need it just to break even, even after we have drawn on our reserve fund.

"We must now stabilise, else we will be caught out," he underlined.

Over the past two years the White Administration has not accepted Central Government funds and have financed their budget solely from their reserve fund, which now stands at R163m.

Mr Pretorius was defending the frequently-attacked white reserve fund.

"If we did away with our reserve fund, we would find ourselves facing many problems and would not be able to balance our books," he said, adding that it was their second largest source of income.

The NP leader continued that without even having to mention the Windhoek municipality which had over R100m in reserves, there were many other "instances" building up surplus funds.

Referring to the 1985 Auditor-General's report and other "reliable sources", he mentioned the Caprivians who had R0,77m in 1985 and now had R4m; the Owambos who had R16,5m in 1985 and now had approximately R35m; and, the Tswanas who had R0,3m in 1985 and now had R3,75m.

1985 figures for other representative authorities included: the Damaras, R2,5m; the Coloureds R0,5m; the Namas R2,2m; and, the Basters R0,5m.

Mr Pretorius said while his administration accepted that they should help others, their first responsibility was to their target group, the whites.

/13046
CSO: 3400/530

BRIEFS

POOR GRAZING CONDITIONS--It is reported from Windhoek that grazing conditions are critical in most parts of South-West Africa, and farmers are being forced to sell large numbers of their stock to avoid a grazing crisis. The member of the South-West African executive committee responsible for agriculture, Mr Fritz Potgieter said in Windhoek that preliminary estimates indicated that farmers would have to market 1.6 million ship this year compared to the annual average of 700,000. Almost 220,000 cattle would have to be sold compared with the 210,000 normally marketed annually. Mr Potgieter said the meat board had assured him that would be no problem marketing the surplus stock, as South Africa had a shortage of red meat because of good rains. [as heard]. Mr Potgieter said apart from a small area around Windhoek and parts of southwestern and northeastern areas of the country, grazing was generally poor. [Text] [Johannesburg Domestic Service in English 0500 GMT 8 Apr 87 MB] /12624

CSO: 3400/528

APPEAL MADE FOR UNITY IN FACE OF COMING ELECTIONS

Dakar LE SOLEIL in French 14-15 Feb 87 p 1

[Editorial by Bara Diouf]

[Text] There you have it: Senegal is in the midst of an election campaign! The stakes are the February 1988 legislative and presidential elections only a year away.

Since the regime is one of a proclaimed, codified and scrupulously applied democracy, taking its place, one of its most coveted consequences, is the aim that feeds the ambitions of the men and political parties involved. The opposition, which the provisions of the constitution authorize and encourage in its fight for power, has not had to be told twice and the fight is on! It is polishing its weapons, trying out its methods, experimenting with strategy and endeavoring to find the miracle means of gaining access to power, for power's sake.

A "miracle means," we said, for everything leads one to assume that the stakes of its fight are not so much democracy as they are power itself. It is forgetting the essential condition of the exercise of that power: majority rule. In fact, from whatever side one examines the political problem in Senegal, one is horrified by the gap between the verbose, hate-filled and deliberately gloomy discourse of the opposition and the real situation. Let us at least agree! Senegal is not Peru! Everything is not the color of roses, especially economically and, consequently, regarding the standard of living of the people. This observation is the stamp of our time in most Third World countries. No matter what political group assumes responsibilities in the future, it will not be able to escape the pressures of the World Bank and the IMF, the racket called the deterioration in the terms of trade, the structural weakness of our ministates in a world dominated by the big economic units and markets. We must integrate this fact into the equation for good and not, out of demagogic and our own illusions, transfer responsibility to a political adversary, even a rival. We must learn to be positive, as President Abdou Diouf wishes, and know how to unite on essential questions. For in the final analysis, with things being what they are the politics of survival the only possible type being set up and scrupulously carried out, we must be lucid and discerning. In the future, the rational operation of our dams, implementation of the existing water and grazing policy, the green revolution in our rural areas thanks to modernized agriculture and food self-sufficiency will change the economic

face of Senegal long before the year 2000. That wager has already been won. We have but to open our eyes, know how to see, to discover that something is on the move and will profoundly revolutionize our country.

But we know it already. Man does not live by bread alone. In his brief existence on earth, he needs another path to constitute his second dimension, his spiritual dimension. In a word, he needs to enjoy fully the fine name of man, to enjoy his rights and freedoms: freedom of conscience, freedom of expression, freedom of association! Who can deny that such freedoms, which have so far been the luxury of the rich and culturally advanced countries alone, do not exist in Senegal? But that is the heart of the matter: Democracy, a well-known philosopher said, "would not be suitable without laws, without government, without some limit on the freedom of each individual."

Should one blame President Diouf and the political group that supports his action for fighting the perversion that lies in wait for democracies and leads them to anarchy and ruin? Is it proper to make disturbances in the universities, a sign of the times, a war horse?

It is commonly said that young people begin life with insults on their lips and this is certainly true. It is a sign of fertility. It would in fact be troubling if, at the age of 20, one were a conformist and not imbued with a desire and belief in being able to remake the world. But one must remain rational in all things, which Diouf does in asking the opposition to be responsible and calm. What unites us is a goal of society guaranteeing man a universe in which there would be no arbitrariness, intolerance in any form, ideological oppression or totalitarianism, the reign of injustice and the suffocation of the rights and freedoms of individuals.

Abdou Diouf is not alone in leading us toward that paradise to which we aspire. All Senegalese, whatever their affiliation, are now the participants in such a project whether they like it or not. Instead of overwhelming him with easy criticism, let us all reset our watches, recognizing his merit in the implementation of such a process. And if by chance, the spirit of criticism, ambition and the thirst for power should, in this historic period in which we are living, become the only motivations of some, let it be clear that the republic will find within itself the necessary resources to defend itself and triumph over the forces of regression.

11,464
CSO: 3419/83

OPPOSITION PARTIES HOLD PRESS CONFERENCE

Dakar LE SOLEIL in French 14-15 Feb 87 p 10

[Article by B. Diouf]

[Text] Early yesterday afternoon, 11 out of the country's 16 legal opposition parties (the AJ/MRDN [AND-JEF/Revolutionary Movement for the New Democracy], LCT [Communist Workers League], MDP [People's Democratic Movement], LD/MPD [presumably LD/MPT - Democratic League-Movement for the Labor Party], OST [Workers Socialist Organization], PLP [People's Liberation Party], PPS [Senegalese People's Party], PDS [Senegalese Democratic Party], PAI [African Independence Party] and the UDP [Union for a People's Democracy] held a press conference at the headquarters of the PDS. It was presided over by Abdoulaye Wade, leader of the main Senegalese opposition party.

Following the theme "Resisting government violence and violations of freedoms," Wade, spokesman for the above parties, made a preliminary statement, basing his remarks on the country's economic, political and social situation since Abdou Diouf came to power.

First of all, Wade condemned the situation in the country, then pointed up the opposition's determination "to organize the resistance in order to oppose the government, which intends to stand in opposition to our country's system of constitutional freedom."

Wade then made a broad review of the country's situation, mainly emphasizing the general state of constitutional and individual freedoms, which in his eyes bear the mark of a certain "confiscation."

In response to a question from the AFP, which asked him his views of Diouf's expression of disappointment over the Senegalese opposition, Wade said that "the vocation of political parties is not to seek to deceive or gain support, but rather, to fight to take power." Concerning events in the universities that have disturbed the country recently, the spokesman for the opposition parties said that they have denounced the escalation of violence by demanding the withdrawal of the forces of law and order, renewal of university immunity and, last but not least, the opening of negotiations with students.

In answer to the question of whether this grouping of most opposition parties for the first time can be taken as a prefiguration of the presentation of a

single candidate in the coming elections, Wade responded that it was too early to answer the question. "Opposition parties are in the process of coming together to seek a strategy on this matter."

Based on Abdou Diouf's statement asking the opposition to trust him for the honesty of the coming 1988 elections, Wade added that "the opposition could not trust a man who is himself a candidate in the elections and who is fighting to win power."

In answer to the question of what means of resistance the opposition intends to use to oppose the government, Wade answered that it was premature to advance a strategy. "The opposition will use all recourses to make sure that freedoms are respected," he said.

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CSO: 3419/83

PLP LEADER ON ELECTION, CASAMANCE ISSUE

Niang Press Conference

Dakar LE SOLEIL in French 18 Feb 87 p 6

[Text] The People's Liberation Party (PLP-opposition) has recommended a "far-reaching revision" of the Senegalese Election Code to ensure "the honesty and regularity" of the February 1988 presidential and legislative elections.

At a press conference held in Dakar Tuesday, the secretary of the party, one of the two opposition groups represented in Parliament, Babacar Niang, suggested a number of provisions that in his opinion would ensure that there could be no possible challenge to the elections.

For example, every voter should have an ID card proving he is truly the holder of the election card he shows. Individual booths would be required to "ensure respect for the freedom of conscience" and there should be representatives of the political parties involved in the election at polling places.

In addition, party representatives should be "permanent members" of the ballot counting committees at the local and national levels, Niang proposes. He also believes it necessary for all political groups with candidates to have equal access to the media (radio and television).

The PLP, which intends to "contribute actively to the unity of the forces of change," will lead this fight with ten other opposition parties (out of 15). Niang revealed that his party has already asked the president to meet with the secretaries general of these 11 groups "in order to have a serious discussion" of these matters.

In addition, for each of the major institutional, economic, social or cultural problems facing Senegal, the secretary general of the PLP proposes the organization of a radio and television debate with the participation of all legally constituted political parties.

In addition, Niang emphasizes, "Casamance is an integral part of Senegal and there can be no question of it being otherwise." However, the situation prevailing there requires the convocation of a "political consulting conference" in the course of which spokesmen could express themselves and following which dialogue would be restored and concrete measures drawn up.

Turning to the situation in the schools and universities, Niang asked the government and students to "resume their dialogue as soon as possible in a constructive spirit and with the common determination to reach a solution making it possible to save the academic year."

When questioned about a possible single candidacy of the opposition for the coming elections, the secretary general of the PLP said that his party has proposed common lists to the other parties for the legislative elections, noting that this presumes, if not a reform of the election code (banning party coalitions), then at least a "correct legal interpretation" of the code.

Editorial Comment

Dakar LE SOLEIL in French 18 Feb 87 p 6

[Editorial by Badara Diouf: "Opening"]

[Text] One of the major lessons to be learned from the press conference of Babacar Niang, leader of the PLP (People's Liberation Party), remains unstated: in that manifest will of an opposition party to get out of the beaten track, to go beyond the exaggerations and rhetoric to which certain groups have accustomed the Senegalese people.

Following the famous Machiavellian adage "The end justifies the means," they condemn everything that moves, even at the price of sacrificing the matter of national unity on the altar of political interests and the will to power.

Taking a clear, precise position on the problem of "separatism" in Casamance, the PLP is the first group among the 15 in the opposition to define its position and responsibly on a major question concerning which the negative Machiavellian precept that "all is fair provided one reaches one's goal" is not relevant.

To date, Senegal has been spared regionalism and tribal problems. The awareness of a national identity forged by centuries of common life shared by members of an entity who have experienced the same history, has meant that the citizens of Saint-Louis, Tambacounda, Sine-Saloum or Ziguinchor consider and define themselves first and foremost as Senegalese, next as something else: Serere, Peulh or Diola, and so on.

The PLP has not fallen into the trap as certain groups have, trying at the time of events to effect a political recovery of activities, criticizing the government on all issues, even though it reacted in each specific instance with firmness and responsibility, remaining intransigent on the matter of national unity.

The other opening to be hailed domestically is the will to overcome, to take up a dialogue with the president of the republic, guardian of the fundamental, institutional text on matters of national interest. Thus the PLP keeps a distance from the dogmatic ideas of the splinter groups that can only lead us to an impasse. These calls for the beginning of concerted action and dialogue deserve a response.

Senegalese democracy will only be all the more strengthened, especially when the political protagonists preach the establishment of a minimum modus vivendi aimed at putting an end to the monologue in the singular and no longer look at one another as adversaries.

11,464
CSO: 3419/83

KAUNDA DISCUSSES SADCC, SANCTIONS, RSA

MB121523 Harare THE HERALD in English 6 Apr 87 p 1, 5

[Charles Chikerema report]

[Text] The PTA [Preferential Trade Area] and SADCC are building foundations of unity and people's institutions that should outlive the present political leadership, the President of Zambia and current chairman of the Frontline States, Dr Kenneth Kaunda, has said.

In a wide-ranging interview with THE HERALD at the weekend in Lusaka, he said: "Each step we take is designed to cement the foundations of this unity and as Pan-Africanists we are hoping in the end the Lagos Plan of Action will be implemented, resulting in a common market for the whole of Africa, leading to certain political entities which might develop into a Pan-Africanist government."

Asked whether the PTA would not face similar problems that faced the East African Community, which observers believe collapsed because of ideological differences in spite of a common language and geographical borders, the Zambian leader said that the community had collapsed because it had been the "brain-child of the British colonialists".

"The East African Community was a brain-child of the British, and I know of no federation or union started by the British colonialists that succeeded because they were never intended to serve the interests of the indigenous people, but had been created to serve the interests of the colonial powers."

The Zambian president said that this hope was that "one of these days" there would be a bigger federation not only between Zambia and Zimbabwe, but also bring in Angola, Botswana, Mozambique "and all of us in SADCC and the PTA as we are building people's institutions that will outlive the present political leadership".

Dr Kaunda, who disclosed that the "initiators" of the strikes in his country were politically motivated, said that there was nothing by way of destabilization which happened in Zimbabwe and Zambia which was not linked to the MNR in Mozambique and to UNITA in Angola.

"That is the only way South Africa can fight us, by creating dissidents and funding them, but Zambia and Zimbabwe were freedom fighters, fighting for what is right in the eyes of God and man.

"There is no way our efforts can be in vain. They will bear fruit and that fruit will be the freedom of South Africa and Namibia," Dr Kaunda said.

On when the Frontline States would apply economic sanctions against the Pretoria regime, the Zambian leader said preparations for that were under way.

He said Zambia and Zimbabwe had picked mainly on airlines and would have cut off air links with Pretoria on December 31 last year.

"But on analyzing what was involved, it became quite clear that unless all of us acted in unison, efforts by Zimbabwe and Zambia alone would have been wasted, leaving serious loopholes and rendering the whole exercise meaningless," president Kaunda said.

He said he had been given the task of talking to Angola and Kenya, while Zimbabwe was talking to Mozambique. He had already talked to Kenya and in the middle of this month he hoped to discuss sanctions with the Angolan Government.

"After that there will be a summit."

Asked whether as a Christian he was not surprised that the West, for all its talk of Christian values, was not being helpful in the struggle to end the evil system of apartheid, President Kauanda said: "I am not surprised because I have always held the view as a Christian that there is no way in which a capitalist can rightly call himself a Christian. There is no way at all."

He said it was the son of God himself who had condemned capitalism long before "Karl Marx and Lenin condemned it".

"And, when I read what Marx and Lenin have written, in principle I see no difference between their teachings and what Christ taught," the Zambian leader said.

President Kaunda said that although the U.S. Congress had voted to impose sanctions against South Africa, the problem was that "the West looks at South Africa in terms of East and West and sees South Africa as a bulwark of Western interests in terms of their struggle against the Warsaw Pact.

"The Western countries see South Africa as being of strategic importance with strategic minerals and because they value minerals more than they value black lives, they will not support genuine change in South Africa," the Zambian president said.

/12624
CSO: 3400/526

BRIEFS

ZAMBIA'S MUSOKOTWANE DEPARTS USSR--Prime Minister Kebby Musokotwane left Moscow for Pyongyang for a 4-day official visit to the Democratic People's Republic of Korea yesterday. Zambia and the Soviet Union have agreed to strengthen their cooperation in the fields of economic and scientific cooperation. The Soviet Union has assured Zambia of the continued training of Zambians in all economic fields to improve the economy of the country. Comrade Musokotwane and his Soviet counterpart Nikolay Ryzhkov condemned apartheid system in South Africa and the countries that prop it. [as heard] [Text] [Lusaka Domestic Service in English 0500 GMT 13 Apr 87 MB] /12624

ZAMBIA, ZAIRE SIGN EXTRADITION TREATY--Zambia and Zaire have signed an extradition treaty which will enhance the fight against crime between the two countries. The treaty, the first between the two, was signed at the end of a 5-day session of the Zambia-Zaire Joint Permanent Commission which met in Lusaka, and is among other agreements which include social security and trade. The Zairian delegation at the commission meeting was led by Secretary of State for Foreign Affairs Kabala Kisekeseka, while Development Planning Minister of State Lavu Mulimba led the Zambian delegation. [Text] [Lusaka Domestic Service in English 1115 GMT 12 Apr 87 MB] /12624

CSO: 3400/526

NORWAY, DENMARK TO FINANCE KARIBA FISHERIES PROJECTS

Harare THE FINANCIAL GAZETTE in English 20 Mar 87 p 7

[Text]

A TEN-YEAR research and development project, estimated to cost \$10 million and which aims to establish a long-term viable management programme for the fisheries at Lake Kariba, is scheduled to start in about August/September this year. It will be jointly financed by the Norwegian and Danish aid agencies, Norad and Danida, respectively.

The Lake Kariba Fisheries Research and Development Project (LKFRDP) was proposed at the Sadcc conferences in Maputo and Lusaka in 1983 and 1984, where it was stated that cooperation between Zimbabwe and Zambia was not only desirable, but necessary if proper development and management of the fish resources of the lake was to be achieved.

The long-term objectives of the project include the formation of a sound basis for cooperation in research and economic management of the lake resources between the two countries, and also to develop new fishing technology, processing and distribution systems which will benefit and improve the lives of the local population.

A project officer at Norad in Harare, Ms Mette Masai, told the *Gazette* that the LKFRDP will be carried out from the Lake Kariba Fisheries Research Institute in Zimbabwe (LKFR) and the Sinazongwe Fisheries Training Centre in Zambia (SFTC).

The first phase of the project, she said, will include biological research, development and training of the staff at the LKFR and SFTC. The research will be directed towards the economic importance for utilising aquatic resources in the lake. All available information on fishing and its impact on

the socio-economic lives of the fishing people will also be gathered. This will form the baseline of the project from which a 10-year programme will be structured.

Another important aspect of the project will be the introduction of peasant kapenta fishing methods. Sardine fishing in the lake is at present being carried out exclusively by commercial operators. The lack of interest from the peasant sector is due to the complicated methods now in use, and the huge capital investment required, of which many cannot afford.

A spokesman at the LKFR said that kapenta is a "very important" fish in this country. For example, he said the combined Zimbabwe/Zambia tonnage in 1986 was about 24 000 tonnes. It is hoped that the project will introduce cheaper and less sophisticated technology of kapenta fishing, "because many of the local people can't afford the expensive rigs that are used today."

According to the Norad/Danida appraisal and project proposal report, an expatriate manager and the officers at the LKFR and SFTC will be responsible for the daily activities of the project. A steering committee comprising among other people Danida, Norad, and fisheries authorities in both countries, would also be formed to confirm the project's annual budget for the next 10 years.

Ms Massi said that both Zimbabwe/Zambia and Norad/Danida are already looking for a "competent" project coordinator, and "we hope that by August or September he/she will be available to start work. It is very important to find a good coordinator who is going to help in the design of the whole project," she said.

JOINT VENTURE WITH SWEDEN IN TECHNOLOGY TRANSFER CONTINUES

Harare THE HERALD (Finance) in English 2 Apr 87 p 11

[Text]

OPTIMUS, the Swedish-Zimbabwe joint venture company, is continuing its drive to increase the transfer of technology from North to South.

Already making spirit stoves and pressure lamps under licence from AB Optimus in Sweden, it is now negotiating other technology transfer projects in Denmark and West Germany.

"Because of our lower labour cost, developing countries such as Zimbabwe are ideal to take over older generation technology and equipment from the North, while the North concentrates on the new less labour intensive high technology," said managing director, Mr Henrik Ellert, this week.

He said the negotiations with Denmark and West Germany on further technology transfers were "far advanced" and should be complete by the end of the year. He could not provide further details until then.

Optimus has already amply demonstrated the benefits of such technology transfers. A joint venture between the Industrial Development Corporation, AB Optimus and Mr Ellert, it has not only introduced new products into the Zimbabwean market — the stoves and lamps — but has started exporting them to various countries in Africa and, by the middle of this year, will start exporting them to Sweden as well.

It has also helped Mozambique by helping a government-owned company in Maputo start production of the stoves and lamps, which it assembles from components provided by Optimus in Zimbabwe. It has also trained staff to run this company at its Kwekwe factory and is now considering helping Burundi to set up a similar factory.

Total exports last year, mostly to Mozambique, topped \$150 000 but Mr Ellert said with export orders worth \$187 000 already confirmed and even more in the pipeline, they could reach \$500 000 this year.

But he believes in the concept of trade being a two-way affair and is in the process of importing sheet steel and certain components from Kenya, one of its main export markets.

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CSO: 3400/543

CHIDZERO DESCRIBES NEW LOANS AS 'SHOT IN THE ARM FOR ECONOMY'

Harare THE HERALD in English 2 Apr 87 p 1

[Text]

T H E Zimbabwean economy received a £70 million (\$184 million) boost yesterday when the Government signed agreements for bridging loans with two international commercial banks to ease the foreign exchange shortages facing exporters in industry, agriculture and mining.

Signing the agreements in Harare, the Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero, announced that negotiations were under way for two more loans of £10 million (\$28 million) each and that negotiations with the World Bank for an extension to the export revolving fund were at an "advanced stage".

The loans, which indicate commercial bank confidence in Zimbabwe despite various economic problems, were described by Dr Chidzero as a "shot in the arm for the economy". Although they increased debt levels, they were positive in that they

had been taken not to repay debt but to generate exports and economic growth.

The loans, of £35 million or \$92 million each, have been granted by Standard Chartered Bank Ltd and Barclays Bank plc and the agreements were signed yesterday by Dr Chidzero, the managing director of Barclays Bank Zimbabwe Ltd, Mr John Bennett, and the chief executive of Standard Chartered Bank Zimbabwe, Mr Alan Cleary. Both loans offer a grace period of two-and-a-half years and are repayable over three-and-a-half years at very soft interest rates (LIBOR plus a margin of 1.25 percent for the first three years and 1.5 percent after that).

Dr Chidzero said that the loans would "act as a bridging loan while discussions on the policy framework for a second export promotion programme are concluded with the World Bank".

While the existing export revolving fund covered only the foreign exchange needed for raw materials and spares in the industrial sector, the new loans now received would enable the fund to include the mining and agricultural sectors.

As with the export revolving fund, the loans would be administered by the Reserve Bank, but a committee including the five concerned ministries

would oversee the implementation of the programme.

"It is further expected that a supplementary allocations would be given under this loan package to industrial exporters who are able to increase their exports, the details of which are now being worked out by officials of the responsible ministries and the Reserve Bank," he said.

On the issue of foreign exchange shortages, he said it was well known that the country had become a net exporter of capital because of inadequate inflows, and disproportionately large outflows of funds, not only on debt servicing account but also on other accounts including the remittance of profits and dividends.

Combined with an inadequate growth in exports, this has resulted

in a serious balance of payments problem — hence the foreign exchange shortages.

But as the two loans signed yesterday and the other two under negotiation highlighted, everything possible was being done to mobilise further financial resources. This included the negotiations with the World Bank, which involved lengthy discussions about the budget deficit and the prospect of import liberalisation.

"Overall, these efforts, if successful, will alleviate the effects of the recent foreign exchange cuts on the economy and minimise the attendant problems on economic growth, employment and shortage of goods."

● Dr Chidzero leaves for Washington at the weekend to attend the annual spring meetings of world financial ministers.

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CSO: 3400/543

MUGABE EXPLAINS NEW NATIONAL SERVICE

Harare THE HERALD in English 2 Apr 87 p 1

[Text]

THE national service being planned by the Government is not just for military training, but covers all fields necessary to develop Zimbabwe's young generation and create future leaders, said the Prime Minister, Cde Mugabe, yesterday.

He was replying to a question by Cde M. Bhebe (Zapu Lupane) on the period such service would take and on whether there would be room in schools and places of employment for those who had served to continue studying or find jobs.

The question also implied that Cde Mugabe had once said that those called to serve would be school-leavers who had been unsuccessful in their studies and that there would be a general conscription for the population.

"When I made the announcement regarding national service, I did not suggest that there would be general conscription of

our population. Nor did I suggest that national service would affect only those who had not done well at O level," said Cde Mugabe.

Every child, he said, who had gone through the four-year course to O level, whether it was Cambridge or the University of London, would be required as part of his education to undergo national service.

"And national service is not just military training, though there has to be that aspect."

A person could be recruited as a teacher for a given period, and serve in a hospital or elsewhere where the Government feels that person could serve the nation.

"We are not recruiting people to go to war in Mozambique. We are developing our sons and daughters so that they grow up with a given degree of loyalty and commitment to their country."

The Government was still working out the programme and Cde Mugabe said he had in mind a service of about six months for an individual, which would perhaps include a period of about three months of military training before the individual went on to other training courses.

After the service, the youths would be allowed to catch up with their studies or look for jobs.

But he could not give a guarantee to those who would want to work that they would secure employment because "the issue of employment is a national one which the Government is addressing under the five-year development plan".

"If there are jobs, why shouldn't they be employed? We will also examine whether we couldn't draft some of them into co-operatives or agriculture."

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CSO: 3400/543

THREE MINISTRIES PRAISED FOR FINANCIAL IMPROVEMENTS

Harare THE HERALD in English 25 Mar 87 pp 1, 7

[Text]

WHILE some ministries are still "disaster areas", the Ministry of Defence and two others have taken steps to climb out of the financial "quagmire", says the latest annual report of the Comptroller and Auditor-General.

The report for the financial year which ended on June 30 1985 was tabled in the Assembly yesterday, late because of delays by some ministries in submitting the required statements.

The then Auditor-General, Mr John Hilligan, in a general report signed in November last year and dealing with the year under review plus some updating, praised the three ministries.

"It is encouraging to note for the first time a willingness in at least three ministries, which have been the subject matter of Public Accounts Committee reports in the past, to try and correct

the irregularities in their respective organisations.

"One in particular, namely the Ministry of Defence, has shown a dramatic improvement in its financial controls and internal checks over the past 12 months or so. In this case the accounting officer (the Permanent Secretary) sought advice and acted upon it, to rid himself of certain senior staff who were at fault in not complying with the law.

"They were replaced, with the help of the Public Service Commission, with staff who were not only professionally competent, but who were also able and willing to take corrective action. The results speak for themselves and I must congratulate them for a job well done," said Mr Hilligan.

The other two ministries were those of Youth, Sport and Culture and of National Supplies.

"Both have a long way to go before they can be considered to be out of the financial 'quagmire' they find themselves in at present. But at least the accounting officers concerned have taken the initial step by seeking advice and assistance. My congratulations go out to these accounting officers, and I sincerely hope

that other ministries who fall into the category of 'disaster areas' will also seek help."

"This can only be achieved," said Mr Hilligan, "if there is a willingness on the part of the staff in key financial positions in such ministries to work hard to put their houses in order."

In his report, Mr Hilligan looks at, among other things, the increasing staff of the audit office, the work of a small investigation section recently set up, streamlined procedures to deal with misconduct in the Public Service, and the need to get value from money on a very tight national budget.

In his 1981 report, Mr Hilligan said he stressed the need for an expansion in the State Audit Office. The Public Service Commission increased the establishment by 59 posts and recruitment continued from the University of Zimbabwe in line with the policy of getting as many graduates as necessary.

A small section was established in the office "to investigate areas of suspected irregular practices and areas where the economic, efficient and effective use of scarce resources was not being practised". This, said Mr Mr Hilligan, was beginning to show its worth.

The list of matters looked into satisfied him that the section was justified and its creation was long overdue.

A total of 41 investigations into 12 ministries are listed in the report.

In brief details on the list, Mr Hilligan said that a wide variety of matters were investigated in the army and paramilitary in the Ministry of Defence including "overcharging for goods and equipment supplied, an account for payroll funds, fraudulent purchase of time-expired ammunition, dubious contracts for vehicle repairs and training of personnel, and fraudulent overcharging for armoured cars".

Investigations at the Ministry of Energy and Water Resources and Development concerned the "irregular letting of a dam contract and the misuse of building materials by a regional office".

At the Ministry of Finance, Economic Planning and Development there were investigations into "the procurement of computer hardware and software and certain contractual considerations at the computer bureau. The loss of a computer by the Central Statistical Office was also investigated".

"The doubtful authenticity of travelling and subsistence claims and the non-production of claims to clear advances was investigated" at the Ministry of Foreign Affairs.

Investigations at the Ministry of Health "encompassed the payment of fictitious doctors on payrolls, the disappearance of cash from a payroll, and the value for money aspect of the rural clinics programme".

A variety of matters were investigated at the Ministry of Information, Posts and Telecommunications with Mr Hilligan giving examples of a "production services division fraud related to fraudulent payments for services rendered, misappropriation of property

and equipment, and the granting of unauthorised loans to an individual".

At the Ministry of Labour, Manpower Planning and Social Welfare "a series of transport overcharges on drought relief operations" were investigated.

The Ministry of Lands, Agriculture and Rural Resettlement had a wide variety of matters in Government and parastatal spheres investigated. Examples in the report are: "fraudulent award of haulage contracts for grain marketing in the Grain Marketing Board; theft of rice at a GMB depot; fraudulent award of tenders for milk haulage in the Dairy Marketing Board; irregular procurement of vehicles in the DMB; fraudulent award of transport contracts by the Cotton Marketing Board, removal of livestock from a research centre without authority and mismanagement of co-operative funds".

At the Ministry of Local Government, Rural and Urban Development misuse of materials and labour at a District Development Fund office and the irregular awarding and administration of contracts were matters investigated.

At Mines the "fraudulent marketing of Zisco products via the Minerals Marketing Corporation" was investigated.

Investigations at the Ministry of Natural Resources and Tourism concerned "the theft of ivory, the sale of animals, and the irregular letting of safari hunting within the Department of National Parks and Wildlife Management".

And at the Ministry of Transport, a variety of matters, in Government and parastatal spheres were investigated. Examples given in the report are: "fraudulent attempted sale of National Railways property in Botswana, overpaying on railways civil engineering contracts, irregular sale of Air Zimbabwe jet

engines, irregular rebates on ticket sales of Air Zimbabwe, and unauthorised payment for radar equipment".

Earlier in his report he had said he was concerned that a number of important potential fraud and corruption cases had been handed over to the police fraud section for investigation without any "prompt or satisfactory" finalisation of cases. Examples were the investigations at production services at the Ministry of Information Posts and Telecommunications; the sale of houses by National Railways staff; and the fraudulent printing of school fee tokens by the Department of Printing and Stationery.

In most cases dockets were prepared, and some more junior staff arrested, prosecuted and jailed. "What is of concern to me is the lack of action on more senior people involved, who have not yet appeared in court. I have discussed these matters personally with the Commissioner of Police and I sincerely hope that some positive action will be taken in the near future.

An Accountant General had now been appointed, said Mr Hilligan, and was establishing his office and the Treasury had held a wide-ranging meeting with financial staff from all ministries. This "augurs well for the future".

Mr Hilligan said he tried to make audits constructive, rather than destructive, and urged accounting officers to use audits as management tools. Where investigations revealed weaknesses and corrective action was taken, he did not mention these weaknesses in his annual report.

He also urged the Government to protect the staff of the Audit Office by legislation from abuse and pressure.

"I have noticed a tendency, particularly in high circles, of attempting to protect individuals and organisations from criticism and punishment

when they have clearly transgressed against the laws of the country. This has made the audit staff and my task far more difficult because it is our duty to report openly to Parliament."

The Constitution did give protection by allowing the Auditor-General to report freely and fairly to Parliament.

"But," said Mr Hilligan, "when the individuals being criticised interfere with witnesses giving evidence to the Public Accounts Committee, destroy documents and obtain confidential papers in a clandestine and underhand way, much of the work of the office is negated." The confidential nature of committee inquiries had to be preserved "at all costs", he said.

Some accounting officers relied too heavily on their financial administration staff without once in a while checking the truth of reports made to them. Mr Hilligan said it was obvious where this occurred and he appealed to all accounting officers to pay closer attention to audit reports so they could take corrective action before the trouble

became the subject of a Parliamentary inquiry.

"In a country trying to eliminate its budget deficit and make ends meet on a tight budget it is essential that maladministration be avoided, corrective action taken on time and financial discipline practised by every civil servant from the lowest grade to the highest."

In the 1983-84 report Mr Hilligan gave details of the main cause of the deterioration of the public accounts of Zimbabwe. "I am pleased," said yesterday's report, "to report that my comments were read carefully by those in Government who have the necessary power to do something about it."

An example was bribery and corruption. While he had noted a substantial number of cases it was difficult to say whether this was on the increase. But more streamlined misconduct regulations had been introduced by the Public Service Commission, "a substantial number of cases have been brought before the commission and the guilty have been severely dealt with".

/13046
CSO: 3400/542

MINISTRY OF PUBLIC CONSTRUCTION CRITICIZED FOR 'FALSE FACTS'

Harare THE HERALD in English 25 Mar 87 pp 1, 7

[Text]

THE Assembly's estimates committee is disturbed by "deliberate misinformation" by head office officials of the Ministry of Public Construction and National Housing on the progress of various projects.

In a report tabled in the House yesterday, the committee said it was disturbed "by what it regards as deliberate misinformation from ministry officials at head office concerning projects that were supposed to be under way when actually nothing had started".

"The committee was equally perturbed with the lack of information displayed by ministry officials at provincial level who did not seem well-versed with projects in their areas."

The committee, chaired by Mr John Nkomo, recommended that there be proper co-ordination between head office and the provinces.

The report said that the committee was also disturbed by poor workmanship and undue delays by some contractors, for example "Ploughboy and Chitungwiza", who nevertheless still won contracts.

Contractors should be screened and supervised, recommended the committee.

The shortage of rail-wagons for moving cement affected many projects and motor transport had to be used, causing delays and pushing up costs. The committee recommended that the relevant ministries work hand-in-hand to ensure the problem did not continue and that the construction ministry facilitate the supply and delivery of building materials to ensure there were no costly delays.

Some projects had not started because there was nowhere to keep cement and other materials. The committee suggested that storerooms which could be converted later to halls or preschool centres be built.

Provincial officers should live in their areas

"rather than operate from cities far from their work" and a bi-monthly report should be made to the ministry's head office on projects, said the report.

Those outstanding projects, which should have started as far back as 1982, should be started as soon as possible to avoid inconveniencing the public, said the committee.

The committee trusted that the contents of the report would "stimulate action on the part of the ministry to take immediate measures in accordance with the recommendations so as to effect economies".

In looking at the ministry's \$179 679 000 vote, the committee set up a sub-committee which held 21 meetings and which visited several ministry projects.

At Bembezi resettlement scheme, there had been no construction since the project started in 1983; tools were corroding in the open and there was no place to store materials.

At Dombodema resettlement scheme no housing had been completed since the scheme started in 1983 because of poor supplies of building materials.

The committee was impressed by the project at Tolwe resettlement scheme where houses are being built by the homeowners under the supervision of a ministry artisan and with ministry 30-year loans. So far, 72 houses have been built although the committee was "appalled to discover that construction of toilets and kitchens did not take precedence".

Work was satisfactory at Soti Source resettlement scheme with 72 four-roomed houses passed but at Gurue growth point the committee found building materials drawn from a Harare depot had not yet arrived.

The committee was satisfied with the work at Gwanda on an office block and housing and also with the good supervision and supply of materials speeding up construction.

Entumbane police station in Bulawayo was also

satisfactory, although the committee suggested screening barred windows. Despite delays, the committee thought the housing scheme at Chinhoyi Stream would be a success and was satisfied with the building of a cell block at Kadoma prison farm.

But staff housing at the farm was unsatisfactory with inferior work passed by ministry officials. No action was taken by head office on reports from local officials.

An incinerator at a school in Kadoma was unsuitable for its intended sanitary purposes. A contractor for Kadoma cotton pathology had disappeared but the same contractor had been awarded a contract in Mvurwi.

Material deliveries were hampering work on upgrading Mvurwi Hospital. The committee was surprised to note that no work had been done, as expected, at Gweru Hospital. Delays in deliveries were hampering the construction of two Bulawayo schools, and were pushing up costs.

/13046
CSO: 3400/542

RESERVE BANK GOVERNOR URGES SACRIFICES IN ALL AREAS OF ECONOMY

Harare THE HERALD in English 21 Mar 87 p 1

[Text] **THE Governor of the Reserve Bank, Dr Kombo Moyana, yesterday assured the public that while there is cause for concern about the economy, a relatively rapid recovery can take place provided sacrifices are made by all sectors of the economy.**

In an exclusive interview with The Herald on the current economic situation, he said that recovery would particularly depend on a major and intensified export drive to increase foreign exchange earnings. He dismissed as "unfortunate and completely unfounded" recent speculation in some circles that the Zimbabwe dollar would be devalued, adding that this had exacerbated the difficult foreign exchange situation earlier this year.

He said that as the acting Minister of Finance, Economic Planning and Development, Cde Enos Nkala, reported recently, the country was facing a difficult economic situation this year.

"A deterioration in the balance of payments position has resulted in a significant cut in the global foreign exchange allocation for the first half of 1987, which will impact most severely on those companies that are dependent on import allocations to supply the domestic market," he said.

But while there had been a 15 percent cut in the global foreign exchange allocation for the first half of this year compared with the first half of last year, the level of total imports in 1987 was expected to be about 9 percent up on the 1986 level.

The reason for this apparent anomaly is that apart from allocations of foreign exchange from the country's own resources, imports are also financed by the exporting companies drawing on the export revolving fund, using barter transactions, commodity import programmes and other borrowed resources.

"Thus, the impact of the reduced allocations will impact more severely on those firms which are only weakly export-oriented. In this situation, it is clearly in the interest of all producers to maximise their access to export markets to lessen the impact of the restricted availability of foreign exchange."

The current foreign exchange constraint was due to a number of factors, including high debt service payments. The debt service ratio now stood at just over 30

percent, which meant that almost one-third of the country's exports of goods and services were being absorbed in servicing the country's foreign debt.

Infows of aid and other capital had also slowed down significantly, resulting in a situation in which the country was paying out more than it was receiving. The situation had not been helped by the fact that exports had not been as strong as expected, mainly because of weaker world commodity prices.

"There has also been a significant increase in the net deficit on invisible transactions, due in particular to the restoration of dividend remittance."

In 1987, for example, the net outflow of foreign exchange for invisibles—items such as freight charges, dividends, interest on external debt, pensions and payments for a wide variety of services such as holiday and business travel allowances, education abroad and the like—were expected to total about \$700 million.

But he assured the public that the Government and the Reserve Bank were "urgently"

looking at ways in which the situation could be eased. For example, as Cde Nkala confirmed recently, the Government was about to sign a \$180 million loan agreement with several foreign banks to offset the impact of foreign exchange cuts, and further measures would "certainly be introduced in due course".

For its part, the Reserve Bank would speed up the processing of applications for business travel allowances and documentation for exports to help in the intensification of the export drive.

He said the situation had been made even more difficult for the bank recently by "unfortunate and completely unfounded speculation that a depreciation in the Zimbabwe dollar was about to occur".

"During February and the early part of March, this caused importers to bring forward their payments and exporters to delay as long as possible the inward remittance of export receipts, resulting in a significant slowdown of net foreign exchange inflows.

"This position has partially reversed itself and substantial foreign exchange flows have occurred in the past week or two. It should be stressed, however, that unfounded speculation of this type, which further exacerbates the difficult foreign exchange situation, is most unwelcome, particularly when both the Government and the Reserve Bank have currently no intention of changing the existing exchange rate policy, having only recently concluded a review of that policy."

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CSO: 3400/541

MINISTER APPEALS TO CHURCHES FOR AID TO REFUGEES

Harare THE HERALD in English 24 Mar 87 p 7

[Text]

CHURCHES should do more to help Zimbabwe support and sustain its growing population of displaced people, now numbering 60 000, the Minister of Labour, Manpower Planning and Social Welfare, Cde Frederick Shava, said yesterday.

He was opening a week's consultative meeting of the All-Africa Conference of Churches' refugee projects committee in Harare.

Zimbabweans had not forgotten the suffering and humanitarian care that they had received from other nations during the liberation struggle and the displacements of people from one rural area to another, said Cde Shava.

It was therefore an obligation for the Government to give similar care to those suffering oppression and persecution in their countries, particularly in South Africa and Namibia, he said. The refugee - producing apartheid system in South Africa would stop at nothing to defend itself and

would go as far as destabilising the whole Southern Africa region, he added.

Zimbabwe, Zambia, Malawi, Swaziland and Zaire were all harbouring refugees, some from Mozambique which had the problem of MNR bandits, the minister said.

The human misery caused was the same also for Angola which had thousands of people displaced and fleeing across the border to Zambia. Not a single SADCC country was without South African or Namibian refugees, he said.

And South African military personnel had struck at some SADCC countries under the pretext of pursuing the refugees, which Cde Shava condemned "unreservedly".

"All progressive nations of the world should stand together in condemnation of this system and we call upon those countries that support the South African government financially or morally to know that the suffering

masses in Southern Africa are maimed by their actions."

Refugees suffered loss of identity, employment, educational opportunities, and homes and properties while they were also dehumanised and forced to beg for handouts, said Cde Shava.

Forty heads of denominations from Zimbabwe were participating with other members from the World Council of Churches, based in Geneva, inter-church agencies from the Netherlands,

West Germany, the United States, Britain and some parts of Africa.

Zimbabwe had acceded to the 1951 United Nations convention and the 1967 protocol relating to the treatment of refugees and in 1983 it had passed the Zimbabwe Refugees Act to translate the UN conventions into domestic legislation.

She also acceded to the 1969 OAU convention governing specific aspects of the refugee problem in Africa, bringing it in line with other African states in solving the refugee problem on the continent.

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CSO: 3400/541

SEDCO GENERAL MANAGER DISCUSSES ROLE IN HELPING BUSINESSMEN

Harare THE HERALD in English 24 Mar 87 p 4

[Article by John Gambanga]

[Text]

A NUMBER of emergent businessmen are slowly working their way up and establishing themselves through the assistance of the Small Enterprises Development Corporation (Sedco), the parastatal which was set up by the Government in 1984.

Not only does Sedco provide finance, which is crucial in the initial stage of a business, but it also offers emergent businessmen a viable business future through training.

So important are these two tools — capital and know-how — that without them progress in any enterprise would be very limited.

Aware that the demands of setting up a new business in today's competitive and ever-changing world are enormous, the Government set up Sedco as a parastatal body with the main objective of helping men engaged in new businesses or those seeking help to expand existing ones.

The main target group are those in commerce, manufacturing, services such as transport as well as in construction.

The general manager of Sedco, Mr A. K. Mtshani, told The Herald in an interview that at least 300 business people, including 27 co-operatives, have received assistance from Sedco since November 1984.

"The corporation has lent \$4.8 million to business people between November 1984 and February this year," said Mr Mtshani.

The parastatal offers three types of loans: short-term loans repayable over two years; medium-term loans repayable in two to five years; and long-term loans repayable in between five and 10 years.

Asked to comment on complaints in commerce and industry that Sedco charges very high interest rates, Mr Mtshani replied:

"We charge an interest of 16 percent for rural people and 18 percent for those in urban or peri-urban areas. This is comparable to other lending institutions in the country."

Some building societies charge an interest rate of 13 percent for short-term loans while others charge between 14.75 percent to 22.50 percent for medium and long-term loans.

Sedco has so far given most assistance to commercial enterprises such as general dealers and supermarkets and industrial activities like metal and wood fabrication, welding and spray painting as well as clothing manufacturing.

In addition, the corporation has helped passenger and goods transport operators and business people in the construction field.

One businessman who has received such assistance is Mr Clever Manhombo, a young executive. He is managing director of Zedprint, a modest yet progressive printing enterprise in the heart of Harare.

With the loan from Sedco, Mr Manhombo says he has managed to boost his business. The company last year bought from Britain the latest printing machine, the computerised Multilith 12-18.

Today the company employs 18 people who cater for the printing needs of industry.

"Business is good," Mr Manhombo said with confidence. "Although I was given five years to repay my loan, I think I can safely say I will repay them in a much shorter period than that."

Another businessman who thinks highly of the role being played by Sedco is Mr George Mushate. He runs the GGM Refrigeration at the Strathaven Shopping Centre in Harare. The company specialises in repairs of refrigerators and stoves.

"I set up my business in 1982 but, like all beginners, lack of money created problems for me. I could not raise funds to buy spare parts and I had to seek the help of Sedco in 1985," he said.

Although he did not say how much money he received Mr Mushate, who started his business at his house in Warren Park, said the loan enabled him to rent his present premises in Strathaven. Sedco also offered him training in business.

"The training I was

given has been very helpful. I now operate a viable business and employ five workers," he said.

But there are people who have not succeeded despite the financial assistance from Sedco. One fencing enterprise is known to be heavily in debt because it bought a business which was already going downhill.

But other people like the former freedom fighters, have been successful. Some have set up a general dealers at the Unit L Shopping Centre in Chitungwiza.

The amount of loans given out by Sedco vary from person to person.

The corporation's assistant general manager for finance, Mr J. Alufayi, said that the smallest amount of loan given out was \$2 000 while the biggest was \$147 000.

"We have set up regional offices in other towns — Mutare, Masingo, Gweru and Bulawayo," Mr Mtshani said.

"From these offices, our officers monitor the business of our clients to see if they are making progress. We believe that the success of the client is the success of the corporation."

Mr Mtshani conceded that as a new organisation, Sedco has faced a number of problems.

"But we regard these as teething problems. Some of them have helped us to redefine our priorities and re-examine our policies. It has been part of the learning process that has led to useful adjustments in policies and procedures." — Zimpapers Feature Service.

FARMERS UNION PRESIDENT CONCERNED OVER INTENSITY OF DROUGHT

Harare THE HERALD in English 25 Mar 87 p 4

[Text]

THE drought is even more severe than expected, the Commercial Farmers' Union president Mr Bob Rutherford, said on his return from touring a number of farming areas.

Mr Rutherford spent last week visiting parts of Mashonaland, Masvingo and Manicaland, and had earlier visited parts of Matabeleland and the Midlands. He talked to about 300 farmers.

"Two particular features of this season's drought are the extreme patchiness of the rains that have fallen and the abnormally high temperatures experienced over a prolonged period.

"In addition to the serious effects on yields of dryland crops, the high temperatures have also reduced the effectiveness of irrigation," he said.

Where the right amount of rain had fallen, the few farmers con-

cerned had excellent crops.

Mr Rutherford said farmers were doing everything possible to minimise losses through high standards of management.

"There is no doubt, however, that severe yield reductions have already occurred, with some areas being particularly hard hit. The high costs involved in establishing and growing crops will pose major cash flow problems."

He said cattle were generally still looking good, but he was concerned about the lack of bulk in grazing and availability of enough water for the winter ahead.

Destocking would be necessary in the worst affected areas.

Last week the CFU announced the formation of a drought committee with representatives drawn

from the Zimbabwe National Farmers' Union, National Farmers' Association of Zimbabwe, Agritex and the CFU crop and livestock specialists designed as a self-help exercise to examine ways of helping farmers affected by drought.

The first meeting was held on Monday. Mr Rutherford said it was planned to establish regional committees in hard-hit areas to provide detailed assessments of the type of help needed.

"While we will do everything to help ourselves, we shall need the assistance of other sectors of the economy," he said.

"Our aim now is to help farmers get through the drought so they can tackle the next season better. I hope these efforts will not be impeded by the lack of, or high, costs of essential farming inputs," said Mr Rutherford.

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CSO: 3400/542

BRIEFS

SWEDEN GIVES PILING RIG--The Swedish International Development Authority on Tuesday gave a piling rig worth about \$1 million to the Ministry of Transport. Presenting the rig to the Deputy Minister of Transport, Cde Amina Hughes, the head and counsellor of the development co-operation office at the Swedish embassy, Mr Torsten Johanssen, said the organisation was to sign a further \$24 million agreement with the ministry on June 30 for the next three years.--Herald Reporter. [Text] [Harare THE HERALD (Finance) in English 2 Apr 87 p 11] /13046

450,000 REFUGEES IN REGION--The United Nations high commissioner for refugees, Mr Jean Pierre Hocke, who arrived in Harare today disclosed that there are about 450,000 refugees in southern Africa. Speaking to the ZBC at Harare International Airport, Mr Hocke said during his 2-day visit to Zimbabwe he will hold talks with senior government officials on refugee-related matters. [Text] [Harare Domestic Service in English 1115 GMT 12 Apr 87 MB] /12624

300,000 NEED DROUGHT RELIEF--Bulawayo--More than 300 000 people in Matabeleland South will need drought relief aid this year and Government is determined to see that no one starves, the Provincial Administrator Cde Philip Bhebhe said last week. He disclosed that 4 000 bags of maize would be distributed to people in Kezi at the end of this month. Other foodstuffs such as beans and salt would also be distributed, he said. "All the six districts of Beitbridge, Filabusi, Plumtree, Gwanda, Kezi and Esigodini will be covered as they have been hit drastically by the drought.--Herald Correspondent. [Text] [Harare THE HERALD in English 30 Mar 87 p 1] /13046

CSO: 3400/542

SOUTH AFRICA

PRESIDENT BOTHA ON REFORM, ELECTIONS

MB121450 London BBC World Service in English 1309 GMT 12 Apr 87

[From the "24 Hours" program]

[Text] It's 2 years since President P.W. Botha of South Africa has given an interview to a foreign radio or television station despite the international concern over the deteriorating situation in his country. But now with the whites-only election due on 6 May, he has agreed to talk to our southern Africa correspondent, Graham Leach. The interview took place before the weekend announcement banning activities aimed at drawing attention to the plight of the thousands of people detained without trial in South Africa. Graham Leach first asked President Botha about his reform process. How did he respond to the suggestion that it had come to a halt:

[Begin recording] [Botha] I would reply to that with a smile, as the party I belong to has been a party of reform since its inception. We are still busy with the reform process over a wide field. Economic reform is necessary; social reform is necessary, and the political reform. Without economic reform no political reform can last. We are busy with this type of reform, but you can't do that overnight. It must be done over a period.

Now, social reform must take cognizance of urban development and all the needs of urban communities, and we are busy with a positive program in this respect. But here again it must be gradually processed so that you can uplift people, you can enable people to acquire property and their own homes, and then you come to your political reform. In this respect we have made great strides over the past years, and we contemplate taking further steps in the future.

[Leach] However much you dissolve power so that each group, each race group can take care of their own affairs locally, you still have to have a central government running the country. Do you imagine, President Botha, that there could come a time when this central government would reflect the racial make up of this country, which is predominantly black?

[Botha] I don't foresee that in the Westminster sense there can be eventually a black majority government, because the Westminster system didn't work in Africa. What I foresee is a unique system for southern Africa which will safeguard the rights of minorities' own affairs and at the same time create structures in which, on the basis of negotiation, common interests will be dealt with.

[Leach] Mr Botha, you are on record as saying, I think just over a year or so ago, that apartheid is outdated. If that is the case, and people give you credit for having started and initiated the reform program, why haven't you gone the whole way and done away with those other remaining pillars of apartheid like separate amenities, the Group Areas Act, the Population Registration Act, the continued existence of which forces people, some people in this country, many people abroad to say that South Africa is not doing away with apartheid?

[Botha] Now, let me first of all say the word apartheid is the most exploited word in the world today, and most people speaking about apartheid, don't know what they are talking about. Apartheid is an Afrikaans word, and it was never meant by the man who used it for the first time, the late Dr Malan, to mean domination of one group over the other. What I referred to when I referred to apartheid was this: I said the outdated form of apartheid must not be carried forward; must not be proceeded with. I believe in good neighborliness. I believe that I have the right in my own country of birth to have my own cultural values maintained, my own way of life upheld, and the security for my beliefs retained. At the same time I am prepared to grant the other man his rights on the same level as I have rights. But I am not prepared to sacrifice my rights so that the other man can dominate me with his greater numbers.

I said on many occasions already that I don't believe that any law is a holy cow, and I said so in regard to the Group Areas Act, too. I said the Group Areas Act is not a holy cow; it can be changed. As a matter of fact, we changed it on 17 occasions already to make it more manageable and more reasonable. I believe in a Christian approach. But at the same time I never read in the Bible that to be a good Christian means that I must commit suicide to please the other man.

[Leach] Coming on to political developments in recent weeks within South Africa, how much significance do you place upon the defection -- if I can use that word -- of Ambassador Denis Worrall, who came out openly saying that he had no longer any faith in your reform program; and how much significance upon the so-called rebellion that has been taking place among academics at Stellenbosch University, an establishment which traditionally has been a very important (?color) of Afrikanerdom in the National Party?

[Botha] Well, I think as far as Stellenbosch is concerned we must just be patient. The 6th of May will prove where Stellenbosch stands. As far as the independents are concerned, I have been in public life for quite a while. Every general election I saw independents coming forward, and I can't remember that any one of these independents got anywhere. They come and go like the early morning mist, and then they disappear when the sun is rising.
[end recording]

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CSO: 3400/534

POLITICAL FIGURES VIEW SECURITY MANAGEMENT SYSTEM

MB072008 Johannesburg Television Service in English 1830 GMT 7 Apr 87

[Report on separate interviews with Deputy Minister of Information Roelf Meyer, Progressive Federal Party [PFP] MP Brian Goodall, and Conservative Party [CP] MP Frank le Roux by Freek Robinson on the "Network" program; introduced by Gillian van Houten; passages within quotation marks are video recorded]

[Text] [Van Houten] Security matters continue to be one of the main policy issues in the election campaign. In tonight's program, we take a closer look at the national security management system. Although little is publicly known about it, the system has been in operation for some years now. It is an extension of the State Security Council with committees at central and local level, including representation for local community leaders. The system was devised to coordinate and streamline government action to address security problems before they become unmanageable. Our political correspondent, Freek Robinson, interviewed three representatives of the NP, the PFP, and the CP. First Mr Roelf Meyer on the aims of the system:

[Meyer] "We are busy with the process of reform and development in all sectors and all levels of our national life, and that means that reform in that sense is not only political reform; it is also economic reform and welfare reform, and all matters related to the general living of all peoples in South Africa. So, if we talk about the national management system, it is really aiming at bringing about coordinated action and management from government's side between the various government departments in order to make progress with this process of reform and development.

"Our aims are threefold. The one is to maintain the security situation; in other words, to keep the situation as stable as possible, to restore order wherever it is necessary. That is mainly the responsibility of the police and defense force where necessary.

"Secondly, it is our aim to provide good government on all levels: on national level, on regional level, and on local level -- especially on local level -- it is clear, and it is true that some of our communities remained behind while others developed to their full extent. And it is really now at this stage that we have to address the problems of those who remained behind, and this system provides us with the opportunity, gives us the opportunity to take care in a better way of those needs of those people who remained behind in the sense that we can provide good government, good services, to all those who are related in this sense.

"Thirdly, the aim is to go ahead with constitutional reform -- constitutional reform in a political sense of course -- and on national basis to address those problems that are still remaining there and to find the solutions there and to find a constitutional structure that can satisfy the majority of all the groups in South Africa.

[Robinson] "It is said in opposition circles that this security management system is a government within a government, a sinister way to circumvent Parliament and cabinet itself.

[Meyer] "The system is actually there to achieve maximum cooperation between the different government departments who are involved. In other words, it cannot be a government in itself or an alternative government whatsoever because all the members of the present government system are actually taking part. Or let me put it this way: Only members of the present government system are taking part in this system, in a sense that representatives from the various government departments get together around the table and address the problems and find the solutions. No politicians are involved, only government officials from the various departments are there participating and, furthermore, the system has not got any executive powers whatsoever and for that matter when a problem is addressed, people around the table get together from the various departments to find the solution and everybody goes back to his own department to implement it and to execute what has been decided.

[Robinson] "Seeing that this system is geared for blacks, do you ever consult blacks?

[Meyer] "Yes, indeed. We did so in the past and we are still busy with that process. You can imagine that a year ago for instance, many of the black leadership, moderate leadership, would not take any part really in local government and other spheres of government due to that fact of intimidation that was largely affecting black lives a year ago and 18 months ago. Now that order has been restored to a great extent, we find that many black people are coming back. Black leadership is being developed and black local authorities are playing a definite role in this and they are participating in the system through their representatives. And I think in the areas where they are actually taking part, we can also see the best advantages coming through for those communities who are involved.

[Robinson] "Mr Goodall, welcome to Network. Could you just first state your policy, your party's policy on the national security management system?

[Goodall] "Obviously, any state needs a security management system. So the PFP is not against security management system per se. But what we have to ask in this case are two key questions: Is it appropriate? Is it effective?

[Robinson] "And is it?

[Goodall] "I believe it is not appropriate to South Africa's needs, because what we have is a duplication of an existing state system, from the top level to the bottom level. Also, I do not believe it has been effective, because if you look at the unrest which has occurred in South Africa since 1979 when the state security management system was established, it has not worked. We in the PFP believe in open government, and one of the characteristics of the national security management system is its facelessness and the fact that it is unaccountable to Parliament. We believe that there should not be a duplication of bureaucratic functions, which is what we have in this case. And obviously we believe that people should be accountable for their actions.

[Robinson] "So if you are against the system, what do you see as something that might be better in its place?

[Goodall] "I think what we must do is we must realize the nature of the problem that confronts South Africa, and it is 20 percent military and it is 80 percent political, social, and economic. Now, obviously, on the military side one needs to take decisive military action to achieve two objectives. One is to break the staying power of your opponents; the second is to protect the local population. But military activity on its own is not going to solve South Africa's problem. I think this is what the United States learned in Vietnam. What we have to do is also tackle the political, social, and economic problems in South Africa. Now to the extent that the national security management system tackles social problems, that is obviously good. But one asks oneself the question: Why is the civil service not doing that already? Surely these problems of housing, school facilities should be tackled in the normal course of events. Surely we do not need another bureaucratic structure to look after the activities of an existing bureaucratic structure. So, what we are saying is: In South Africa we have to win the hearts and minds of the people. We have to show them that what we offer them is better than what the Marxists or the communists offer them. We have got to show them that our economy can outperform a Marxist economy. And until we can convince the public of South Africa that that is true, we are not going to win the war.

[Robinson] "Mr le Roux, what is your opinion of the national security management system?

[Le Roux] "Mr Robinson, it must be borne in mind that South Africa finds itself in a revolutionary situation and it is therefore incumbent on the government to see to it that it organizes itself to meet the problems that face them. In other words, an organization operating in the form of a war cabinet is to be accepted and to be welcomed. But it must be also borne in mind that the security of the state and the safety of the state must be the aim of this system, and not the fostering of the interests of the governing party.

[Robinson] "Now, looking from your party's point of view, how would you deal with the revolutionary onslaught at this point of time if you were in government?

[Le Roux] "We would ensure that the intelligence organization in South Africa will remain as at present but will remain sharp and will have at their disposal the best equipment, the most modern technology, in order to ascertain or to find the elements of revolution and to destroy these elements wherever they arise, whether it is inside South Africa or outside South Africa, to follow them up outside our borders and destroy them in their nests.

[Robinson] "It is said that one of the specific aims of the national security management system is the social upliftment of especially blacks to eradicate some of the problems giving rise to revolutionary actions by blacks.

[Le Roux] "My party has no serious problems with that, but we think that this program should be geared to the advancement of their culture and traditions and to get them to relate to their national states, because we feel that the friction is caused not by the fact that they necessarily live in the RSA, but because there is no homogenous society. And the whole exercise must be geared towards identification with the national states."

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CSO: 3400/534

SOUTH AFRICA

CP, NP SPOKESMEN ON BLACK DEVELOPMENT

MB091343 Johannesburg Television Service in Afrikaans 1830 GMT 8 Apr 87

[Separate interviews with Ferdie Hartzenberg, CP MP for Lichtenburg; and Barend du Plessis, minister of finance by Freek Robinson on the use of white tax revenues for Black development; from the "Network" program -- videorecorded]

[Text] [Robinson] Dr Hartzenberg, you and other CP speakers have repeatedly stated in several public meetings that about 88 percent of the tax revenue of South Africa is derived from whites and that it is this so-called white money that is being used for black services. Can you give reasons for this?

[Hartzenberg] "Yes, it is quite correct that the individual income tax of whites amounts to 88 percent of the total revenue collected. We believe that there should be separate self-governing states, each of which would determine its own economic policy, its own budget, and also be answerable to its own people. We believe that it is quite wrong for the government to be spending such an enormous amount of money to give permanence to blacks in white South Africa rather than investing that money in the development of black areas. This is happening because the government has opted for power sharing, which obviously cannot be implemented fully. There is dissatisfaction among the blacks. Now the government is proposing redistribution of wealth to attain peace. There is no economy in the world that can withstand the formulae that the government is now employing.

[Robinson] Let us make it quite clear, Dr Hartzenberg. You are not against the principle of using white taxpayers' money for black people. As I understand it, it is the appropriate use of that money.

[Hartzenberg] Look, we believe that the government is overtaxing us. The important thing is that we are not against the principle that assistance should be given to black people, for the economic development of black states. But we believe certain standards must be applied. We say the first principle is that it should not encroach on white wealth; it should not be made a burden. Second, the money that is spent on directing national policy along the path of partition of population groups must be used effectively to achieve economic development and political stability.

Right now the government is engaged in actions that are lowering the white standard of living. According to our recent figures, the standard of living for whites has plummeted by 17 percent despite increased earning power. However, the money that is channeled to the blacks is not producing the desired results. It has not raised their standard of living. Instead we see their properties destroyed, the people necklaced, and revolution in the black sector of the country.

In other words, all that happened is the old truth; that redistribution of wealth doesn't uplift the poor but instead disadvantages the rich, and no one benefits at the end.

[Robinson] Dr Hartzenberg, about 10 million blacks are living in urban areas in South Africa. How should they be cared for?

[Hartzenberg] We are not saying that tax revenue must not be used for these people. But we say it is wrong, for example, to subsidize a black man's house by about 90 percent in a white area. It is totally wrong. We say that black housing and transport and other things in the metropolitan areas should not be subsidized. What is happening now is the creation of job opportunities in the Pretoria, Witwatersrand, Vereeniging area, despite the fact that its infrastructure and raw materials are already strained. It costs twice as much to create a job opportunity here as elsewhere. That is why we say there must not be further subsidization. This place is not supposed to be subsidized by the state, because it is expensive. The state has difficulty subsidizing it, and the rest of South Africa is not developing.

[Robinson] How are you going to change the urbanization process in South Africa? Ministers are saying publicly that it is impossible to change the black urbanization process and, in a sense, that the homeland policy has failed. How would you change this black urbanization process?

[Hertzenberg] When this process of black states development started, two-thirds of the blacks lived in white South Africa, with a large percentage in the cities. The rest lived in their areas. We started this process of developing the black states in 1951. Within 27 years, in 1978, we reached a point where 52 percent of the blacks lived in their own areas. In other words, we made a 19 percent gain under that policy. Now we believe -- and I know it is possible -- that if we continue with the policy of developing the black states, more job opportunities will be created there to enable people to exploit and develop the resources there. This will attract more people to their areas, because they prefer to live in their own areas.

[Robinson] But it will still be white taxpayers' money which must be used to get the blacks there.

[Hartzenberg] No, there will be a contribution from the blacks. This is the important point I want to make. We are prepared, as I have told you, to contribute to the development of the black states. But it must be within our means. We cannot go beyond our means. The important point

is that when you enable a nation to live, work, and develop in its own area, then more is achieved by that nation than when all are mixed. On the contrary, if they are mixed they burn things down, and everything is destroyed. The whites will not be able to contribute enough to restore peace. That is what we are currently experiencing. The whites are getting poorer.

[Robinson] In the homelands as they are today, like the independent states, they are subsidized by the South African government, and therefore by the whites.

[Hartzenburg] They are subsidized, and I would say this government is doing the strangest thing I've ever heard of. They subsidize two policies. They subsidize the homeland policy and the integration policy. It costs South Africa double. If we come to power, we will abolish integration, centralization, and subsidies. Then the contribution to decentralization, to black state development, will work effectively. It will not be neutralized by subsidies paid in the white areas.

[Robinson] But you will still have to maintain other states under partition.

[Hartzenberg] I would not say maintain. I think this is the wrong term. It is not necessary to maintain them. I think we see it in Africa outside of South Africa. One has to accept that a black state can provide for its officials and special services out of its own resources and revenue.

[Robinson] Good evening, Mr du Plessis, and welcome to Network. Sir, in the election campaign the government is being accused by the CP which says whites contribute about 88 percent of the total tax in South Africa, but yet that money is being used mainly on blacks. What do you say to that?

[Du Plessis] It's simply not true. I think it is a very dangerous argument. I don't think any responsible government in South Africa can afford to have the tax system haggled over by emotional statements and politically exploitative situations created to justify these statements. The simple fact is that a white taxpayer who earns less than 18,500 rands does not even pay for the basic services he receives, like health services, pensions, education, transport subsidies, and housing. In other words, it is not true to say the whites are being impoverished through the financing of nonwhites. There is one thing we must make very clear, and that is that spending on the upliftment of developing people, including the developing whites -- those people who are still among the lower income groups among the whites -- such spending on development of all these people and the establishment of a higher standard of living for them is in everyone's interest.

[Robinson] It is said specifically, sir, that white children, for example, are starving, and whites pay most tax. Yet we are still taking care of blacks. I think the argument is that whites must come first.

[Du Plessis] In other words, the implication is that we must take all the tax revenue and spend it on whites first, until all their needs have been satisfied, before thinking of others. That is a very dangerous policy. The truth is that spending on basic services for whites and that includes welfare spending for the hungry children -- and they do exist -- rose as a percentage of state spending from 14.5 to 16.5 percent between 1980 and 1985. In other words, the government is not blind to increasing needs within the white community. But we do have a limit to our financial resources. We must aim at a fair distribution of the total resources in the treasury, and provide for all the people in South Africa.

[Robinson] Let us just look at the other side of the coin. The PFP says we must spend more on blacks, because they have been exploited for a very long time and not enough is being done for them in certain areas.

[Du Plessis] It is not true to say blacks were exploited for a long time. It is true they have greater and more basic needs. There are many developing communities and people in South Africa, all of whom, to an extent, lack basic things like education and infrastructure. But we are spending very large amounts, in cooperation with the private sector, on the upliftment of blacks ...

[Robinson, interrupting] It is also said by the CP that gold mines, in particular, are not fully taxed; and that the government, in some way or another, is in collusion with big business; and that the mines are in a position to make a much bigger contribution. Yet they are only taxed 20 percent of what they owe, and that some mines are not taxed at all.

[Du Plessis] There are many people, or rather companies, which pay no tax at all, because they make no profits. Other companies, including mining companies, do make a profit but enjoy the same privileges as farmers, who can deduct capital spending from those profits. This has been the case all along, in order to extend the lifetime of such mines and industries, thereby providing employment for future generations and developing certain industries. But to claim that we are in collusion, well, I have said several times in public that it is simply not true.

[Robinson] The CP asks why, then, money from the whites is not spent only on whites and money from blacks spent only on them?

[Du Plessis] I return to what I said, that only those whites who earn more than 18,000 rands per year really begin to pay for their services, with a little left over for spending on police, and defense, and so forth. But if it were possible, if it were our policy, then it would mean we would have different tax scales for whites -- I am referring to personal income tax -- and for coloreds, Indians, and blacks. That is not possible. It would throw the country into total chaos. In addition, when we speak of GST [General Sales Tax], how would we determine which is white money and which is not white money? How would we control that? All businesses pay GST.

The most difficult of all is company tax. We discussed the matter, and it was said that in cases where the majority of shareholders are white, then that company's tax would be white money. But what about all the blacks who have contributed to the profits? It may be true they got their salaries, but then the white shareholders got their dividends. So the profits, on which tax is paid, are the result of a joint effort. Now, if 49 percent of the shareholders are foreigners or local blacks, and the controlling share is white, would that make it white tax?

Let us look at salaries earned by whites. There is no single profession in which nonwhites do not make a contribution to the generation of income. The state machinery would not work without the contribution of blacks and other nonwhites. In other words, is it right to say that even though these people form such a vital part of the state machinery, the tax paid by white civil servants should be used only on services for whites? Those white would not be there, many of them would have no work, if the nonwhites were not there to make their contribution.

This is just an emotional slogan to stir up voter feelings, and to create the impression that one group is receiving more benefit than another.

I think we should use as our measure the idea that we work for the interests of our country. It would not be in the interests of our country if we did everything for whites and left the rest to starve. What would be in the interests of all our people, including whites, would be the upliftment of blacks by means of decent education, so that they can make a contribution. We must not divide the cake we have into smaller and smaller portions. We must refine South Africa's resources -- and that means human resources, too -- in order to enlarge that cake. Then we would all have more. That is what we should strive for, and not this petty fighting over issues like whether there is such a thing as white money. It is not possible to classify a rand as white from the time it is generated as income, through taxation, and through to the service on which it is spent. That is not possible. It is stupid to think a country can be administered in that manner.

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CSO: 3400/534

VLOK PROMISES 'CONSTITUTIONAL ACCOMMODATION' OF BLACKS

Johannesburg SAPA in English 2010 GMT 11 Apr 87

[Text] Walvis Bay, 11 Apr (SAPA)--The constitutional accommodation of South African blacks outside the national states was a priority of the government, the minister of law and order, Mr Adriaan Vlok, said at a meeting in Walvis Bay tonight. "We know that if we don't tackle this problem it will sink all of us," he said. The minister was addressing a National party election meeting in support of the NP candidate, Mr Boet Botma.

Mr Vlok said the NP had an excellent record of maintaining security and bringing good government to the people in nearly 40 years. That applied to all people and not only whites, he said. Although not perfect, the NP looked back upon a constitutional road in which four black national states gained independence and six states in South Africa opted for self-government. What remained were the colored and Indian population groups who had now been accommodated in the three chamber system "which works," Mr Blok said. "What is left is a group of black people who have to be accommodated constitutionally."

Mr Vlok said South Africa was facing a revolutionary onslaught in which the republic's isolation and economic downfall were being sought. In most areas in the world, revolution against established governments had won the day, but not all of them succeeded to do that. Mr Vlok said an analysis of history where the revolutionary forces had failed, showed that a stable government effectively established security, healthy government and a constitutional dispensation that won optimum acceptance among its subjects.

"It was no use stating that one would stay in power through the armed struggle, as was declared in the political manifestos of political parties to the right of the NP," he emphasized. "Neither would it help to surrender, as was implicitly contained in the policies of the PFP," he added.

The deputy minister of foreign affairs, Mr Kobus Meiring earlier addressed the meeting attended by about 120 people. He said whites should no longer regard the color of their skin as a passport to economic security. There were 25 million people of other population groups who shared the same aspirations and opportunities as whites did. "We have given them these opportunities for self-fulfillment and it is good that we have done so," he said.

South Africa had a complex heterogenous population, white as well as black, who had to learn to live with each other in racial harmony. "We have not been placed here by coincidence," he said. "We have been placed here with a purpose and a calling which we have to achieve, otherwise there would be no future for whites," he said.

KWAZULU'S DHLOMO ASKS WHITE SUPPORT FOR INDABA

MB101511 Johannesburg SAPA in English 1411 GMT 10 Apr 87

[Text] Ulundi, 10 Apr (SAPA)--KwaZulu cabinet minister Dr Oscar Dhlomo called today on white voters to support pro-Indaba candidates in the coming general election. Speaking in the Legislative Assembly here, he also urged the South African Government to arrange a referendum on the Indaba Proposals in the KwaZulu-Natal region. Dr Dhlomo, KwaZulu's minister of education and culture, is also secretary-general of Inkatha and was one of the founders of the KwaZulu-Natal Indaba.

Entering the debate on the policy speech of the chief minister, Chief Mangosuthu Buthelezi, he assured the assembly the Indaba proposals were in keeping with the KwaZulu government's policy of seeking to dismantle the homelands policy in favor of a united South Africa. So was the provision to accord voting rights to all residents of the region who were 18 and over.

On the question of the protection of minorities through a second chamber in the proposed Indaba, Dr Dhlomo said he and his fellow representatives had initially been against such protection. This was because it would be very difficult to identify members of various background groups on polling day without resorting to some form of racial categorization, which they rejected. It became apparent, however, that the necessary 82 percent support for the Indaba proposals would not be forthcoming if they did not agree to the creation of a second chamber. They were, however, successful in their plea for the principle of freedom of association "even in the second chamber" as opposed to enforced group affiliation. They were convinced that when mutual trust eventually replaced mutual suspicion in South African politics, the need for the second chamber would disappear. However, minorities themselves would have to decide to abolish the second chamber voluntarily, without any pressure from the majority.

Dr Dhlomo gave details which he said disproved claims by some that there was inadequate protection for minorities in the Indaba proposals. He said from this evidence it was clear that not even the present government, in terms of its tricameral parliament, had been able to accord the same measure of protection to minorities.

Dr Khlomo said the Indaba proposals provided genuine political participation and power sharing. Recent history had taught that such magnanimity towards

minorities came but once in a lifetime and was never repeated. "In this spirit we send an appeal to white, Indian and colored fellow Natalians and fellow South Africans to endorse the Indaba proposals unconditionally and for the good of all our children. We appeal to white voters in particular to support pro-Indaba candidates in the coming election. We appeal in the same spirit to the South African Government to likewise endorse the Indaba proposals and arrange for a referendum among the people of KwaZulu-Natal. The government must move away from the notion that negotiation politics is acceptable only as long as it is conducted within the parameters of National Party policy."

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CSO: 3400/533

FAILURE OF KAUNDA ACCUSATIONS AGAINST RSA NOTED

MB090933 Johannesburg International Service in English 0630 GMT 9 Apr 87

[Station commentary: "Zambia"]

[Text] South Africa has long been the scapegoat for problems plaguing other African states. Over the years African leaders have had much success in concealing the real causes of their troubles by holding South Africa responsible. President Kenneth Kaunda of Zambia, well known for this tactic, has tried it again. This time, however, it has not worked.

His claim that South Africa is responsible for the series of strikes in Zambia has been roundly rejected by the secretary general of Zambia's main trade union alliance, the Zambia Congress of Trade Unions, Mr Newstead Zimba. He said this week it was a waste of time to create scapegoats instead of seeking solutions to real problems. The strikes, he said, were the result of management's failure to honor agreements they had signed with workers, and of the government taking management's side in the series of disputes.

It is clear that opponents of President Kaunda have become more outspoken since the food riots in the country in December. Fifteen people died in the riots, which were sparked by the doubling of basic food prices. The price hike had been recommended by the IMF as part of its suggested reforms to revive Zambia's crippled economy.

A recent report in London's Financial Times says that President Kaunda is currently facing a severe test of his statesmanship. The left wing of the ruling party has accused the government of betraying its socialist policies by dealing with the IMF and swallowing capitalist economic medicines. The right wing, on the other hand, is complaining about soaring prices, sanctions against South Africa which, they say, will be more detrimental to Zambia than to South Africa.

Clearly, President Kaunda has his hands full with his economic and other problems and, to add to them, he now finds that he can no longer get away with blaming South Africa.

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CSO: 3400/535

COMMENTARY UNDERLINES VITAL ROLE OF UNITA

MB100745 Johannesburg International Service in English 0630 GMT 10 Apr 87

[Station commentary: "The Battle Against UNITA"]

[Text] Current preparations in Angola for the annual Soviet-backed Cuban battle against UNITA underline again the importance of UNITA to the future not only of Angola but the entire southern African region. For the past 11 years, since the Soviet Union rushed Cuban troops into Angola to prop up the MPLA Government, there has been a concerted drive at the start of the dry season to defeat UNITA, but every one of these special offensives has failed.

Above all else, this proves that without the estimated 35,000 Cuban troops and the massive injections of Soviet arms, the soldiers of the MPLA government would be no match for the forces of UNITA. According to a report by the American State Department released in Washington. (?this) week, another concerted drive against UNITA by Soviet-supplied Cuban and Angolan troops is due to start soon. The report refers to a massive Soviet arms buildup in Angola, particularly since 1984. The Kremlin is said to have pumped \$2,000 million worth of military aid into Angola in that time.

A South African strategic adviser and authority on Soviet Affairs, Dr Jan du Plessis, draws two important conclusions from the report. He said in a television interview that it had become clear that it was the Soviets and the Cubans that were fighting UNITA, and not the forces of the Angolan Government. The second point he made was that there was little appreciation in the outside world of the consequences for the southern African region if UNITA did succumb to the Soviets and the Cubans, for it is pro-western UNITA which is standing in the way of Angola becoming a fully fledged Soviet satellite state, and the Kremlin's objective of gaining control of the entire subcontinent would then be that much more attainable.

The extent of the communist presence and the military buildup in Angola is proof of the seriousness of the Kremlin's intentions. Investments of that magnitude are not made lightly.

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CSO: 3400/535

SOUTH AFRICA

COMMENTARY URGES WEST TO HELP AGAINST ANC

MB130911 Johannesburg International Service in English 0630 GMT 13 Apr 87

[Station Commentary]

[Text] South Africa's call on Western nations to prevail upon southern African states to desist from cooperation with African National Congress terrorists is important. South Africa itself has had little success in trying to persuade the neighboring states from harboring ANC terrorists and allowing their soil to be used as bases and springboards for terrorist attacks against South Africa.

Hopefully, Western nations on whose financial aid southern African states rely might be more persuasive. South Africa's Foreign minister, Mr Pik Botha, in fact has made this point very pertinently, when he called an urgent meeting of 35 diplomats in Pretoria. Mr Botha told the diplomats that information in his possession indicated that gangs of ANC terrorists were already on their way to South Africa via Botswana, Zimbabwe, and Mozambique. He called on Western nations to use their influence with the three states and to warn them of the consequences of cooperating with terrorists. Time, he said was of the essence. Governments who had one-sidedly condemned South Africa in the past for preemptive and retaliatory action could not now stand aside and do nothing. He told the envoys that South Africa was keeping all options open and would be guided by what it considers to be in the best interest of all its people.

The ANC plan to try to disrupt the election is consistent with its commitments to violence and its opposition to the government's reform initiatives, which are aimed at political power sharing with the various black peoples. The ANC has made it very clear that it is not interested in reform of any kind or in sharing of power in South Africa. Western governments will have to decide whom they support -- the South African Government, with its reform aimed at eventual power sharing, or the ANC, which is bent on seizing power for itself by revolutionary means.

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CSO: 3400/535

521 RECEIVE EXEMPTIONS FROM GROUP AREAS ACT

MB071500 Johannesburg BUSINESS DAY in English 7 Apr 87 pp 1, 2

[By Dominique Gilbert, Martin Challenor, and Susan Russell]

[Text] Since October last year 521 people in the Cape and Transvaal have been granted permits to live or operate businesses in group areas other than their own.

This has happened in spite of President P.W. Botha's condemnation of "grey" areas.

Since October, provincial authorities have had responsibility for issuing permits. Figures released by Cape and Transvaal authorities show that of the 788 applications received since October, 521 have been approved, 122 are pending and 145 have been rejected.

But while grey areas have become a major election issue there is still no official policy on how permits are granted in terms of the Group Areas Act [GAA].

Of the 483 applications received by the Cape Provincial Administration [CPA] between October 1 last year, and March 31 this year, 321 were approved.

The CPA refused 85 applications and there are 77 still pending.

Director of Local Government Pieter van Heerden said he could not comment on the criteria necessary for granting GAA permits.

He said each case was considered on merit.

A spokesman for the TPA [Transvaal Provincial Administration] said it was "very difficult" to comment on the criteria necessary for issuing a permit.

"There is no fixed line," he said. "You may find where there are two applications for a certain place, one is rejected and the other is approved.

"It all depends on circumstances. Our only guide is the Act."

The TPA spokesman said about 200 permits had been approved in the Transvaal since October last year. Another 60 were rejected and 45 are still pending.

He said the TPA had received 305 applications since administration of the Act became a function of the provinces.

In contrast, while GAA permits were administered by the Department of Constitutional Development and Planning last year, 238 permits were approved in the Transvaal, 54 were refused and 124 were still pending when the TPA took over the function.

However, the TPA spokesman said the figures were not necessarily realistic because they did not take into account the "thousands" of people who were granted permits under the Black State Areas Consolidation Act.

These permits fell away when the Act was repealed, he said.

"They now have to apply for new permits under the GAA," he said referring to the "thousands of flat cleaners who live on the 10th floors and those sort of people."

Sheena Duncan of the Black Sash said yesterday the organization had received numerous calls inquiring about permits when the Mixed Marriages Act was first repealed.

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CSO: 3400/535

SOUTH AFRICA

NRP'S SUTTON WARNS AGAINST GROUP AREAS 'TRAP'

MB081806 Johannesburg SAPA in English 1738 GMT 8 Apr 87

[Text] Queenstown, 8 Apr (SAPA)--Group areas were a trap for the white community and not havens of security, the leader of the New Republic Party [NRP], Mr Bill Sutton, said in Queenstown last night. "The mainstream of power and wealth is moving historically out of the white sector in to the black sector."

He warned that the white community would not emerge as the decision maker of South Africa if it followed the group areas course. "Why leave yourselves out of the decision-making process and put yourself in a corner, out of the maelstrom of power, wealth and politics?"

Mr Sutton received a standing ovation and said the NRP had had talks with moderate black leaders last year in Pretoria. "They spoke with such love of their country and our country. They still regard us as brothers. All they ask is to stand alongside the whites. They say when they look down the corridors of the future all they want is to see doors opening for their children. If we do not take care to include blacks in our system they will evolve their own system and ours will wither on the vine," he said.

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CSO:

STUDY SHOWS 72 PERCENT OF DETAINEES CLAIM ASSAULT

NAMDA Conducts Study

MB081756 Johannesburg THE STAR in English 8 Apr 87 p 3

[Text] Detainees have complained of being physically assaulted, mentally abused and, after release, have suffered psychological problems according to a study by doctors.

Professor Selma Browde of the University of the Witwatersrand told delegates to the National Medical and Dental Association (NAMDA) Congress in Cape Town at the weekend that 72 percent of the detainees examined by a panel of doctors alleged they had been physically assaulted while in detention.

Medical examination of 97 percent of those bore out the allegations, with evidence of bruising, lacerations, sjambok [whip] lesions, eardrum perforations and gunshot wounds.

Detainees alleged, among other things, that they were beaten with fists or hands, kicked, sjambokked, hit with blunt instruments, slammed against walls, suffocated and subjected to electric shocks.

The study by NAMDA doctors of 131 released detainees showed that 78 percent of the detainees had allegedly been subjected to mental abuse through interrogation, threats or humiliation including being forced to remove their clothing and make statements.

Among the findings of the study were that 32 percent of the detainees spent time in solitary confinement, 84 percent of whom suffered psychological problems after release.

Of those detainees reporting mental abuse, 48 percent alleged physical deprivation, including denial of water and sleep.

Doctors examining the detainees has found evidence of post traumatic stress disorders, defined as being stress outside of normal human experience, in 83 individuals, 43.4 percent of whom had recurrent dreams and 68.7 percent sleep disturbances.

The study had shown Professor Browde said, that detention without trial was detrimental to health.

Released detainees had "special mental and physical needs to be treated by doctors who had skills in rehabilitation."

The study also showed that existing acts and associated regulations were "insufficient to safeguard the health of detainees" and that the 1983 recommendations of the Medical Association of South Africa (MASA) with regard to the treatment of detainees had "not been implemented."

MASA had to reaffirm the need in the medical profession for responsibility towards detainees.

Police Dismiss Claims

MB081802 Johannesburg THE STAR in English 8 Apr 87 p 3

[Text] The South African Police have said it "is a pity" they were expected to reply to serious allegations about the treatment of detainees "which are not substantiated in any manner whatsoever."

In reply to a study by a panel of doctors, presented at the annual conference of the National Medical and Dental Association (NAMDA) at the weekend, the police public relations division said:

"First of all, Professor Selma Browde, of the University of the Witwatersrand ... claims publicly that a so-called panel of doctors had found that 72 percent of detainees examined had alleged they had been physically assaulted.

No details with regard to the 'panel' of doctors, the identify of the victims, places of alleged assault or any other relevant evidence, which could substantiate the allegations, is given.

"The South African Police ... cannot react to anonymous and unsubstantiated claims by faceless people."

The suggestion that detainees suffered gunshot wounds while in detention was "absurd and should be regarded with suspicion," the statement said.

"What seems to be conveniently overlooked is the strict code of discipline which ensures that all detainees are properly cared for that they are not assaulted and that they receive proper medical, spiritual and other care.

"To ensure that the above is adhered to, detainees are frequently visited by district surgeons and other officials. In addition, provision is made for relatives and legal representatives to visit detainees.

"Ample opportunity thus exists for detainees who are of the opinion that they have been improperly treated, to file affidavits for investigation. All such complaints which are received are properly investigated and where proved to be true, appropriate steps are taken," the statement concluded.

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CSO: 3400/536

PRETORIA ACADEMICS URGE BILL OF RIGHTS

MB120801 Johannesburg SUNDAY TIMES in English 12 Apr 87 p 2

[By De Wet Potgieter]

[Text] Leading academics from the University of Pretoria's law faculty have called for a Bill of Rights and condemned the Group Areas and Population Registration Acts.

The 16-13 of whom are law professors - also voiced grave concern over the country's present security situation.

Sources said academics from other faculties at the university shared the concern of their law colleagues.

And it is believed that law students are also busy rallying support for such a comprehensive and broadly acceptable Bill of Rights.

According to a reliable source at the university, the law students are considering the formation of an organization on the campus promoting the idea of a Bill of Rights and constitutional, judicial and socio-economic reform for South Africa.

The centre for human rights research of the Tukkies [slang for university of Pretoria students or teachers] law faculty recently made representations to the South African Law Commission regarding a Bill of Rights.

They were made under the direction of Prof Johan van der Westhulzen and signed by the 16 Tukkies law academics.

The academics make clear that the Bill of Rights cannot co-exist with apartheid. It must enshrine the right to political freedom of association.

The Bill of Rights must be accepted and trusted by all people. Ideally it should be arrived at through negotiation by all relevant parties.

If this cannot happen, say the academics, the worth of a unilaterally-created Bill should be clearly demonstrable.

They warn that a Bill of Rights created for "cosmetic purposes" would be disastrous.

A valid Bill of Rights should be enforceable by an independent judiciary and should not be subject to parliamentary edict.

The Kwazulu-natal Indaba's Bill of Rights showed numerous aspects worth following up, while the Freedom Charter, which had its deficiencies, had legitimate and emotional following among many South Africans.

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CSO: 3400/535

INDIAN SCHOOLS ADMIT 1,000 NON-INDIAN STUDENTS

MB071234 Johannesburg SAPA in English 1158 GMT 7 Apr 87

[Text] Johannesburg, 7 Apr (SAPA)--The minister responsible for education in the House of Delegates has revealed that Indian schools have admitted more than 1,000 pupils of other races this year.

Mr Kassie Ramduth said a total of 1179 non-Indians including three whites, submitted applications to enroll at Indian schools at the beginning of this year. A total of 954 colored and 222 black pupils were admitted.

Mr Ramduth said the applications from white pupils were still awaiting a decision "depending [upon] a recommendation from the Department of Education and Culture in the House of Assembly."

The Indian education authorities delay in making a clear policy statement regarding the admission of non-Indian pupils drew criticism from a number of organizations earlier this year.

Thirty of them, led by the Transvaal Indian Congress (TIC), placed advertisements in newspapers calling for the unconditional acceptance of children of all races to Indian schools.

The row started after hundreds of children, anxious to escape the crises that plagued black schools in the past two years, inundated Indian schools with applications for enrollment.

Many of them had not heard about the outcome of their applications six weeks after schools reopened.

All applications by African pupils were referred to Indian education authorities for screening.

Mr A.K. Singh, executive director in the Department of Education and Culture in the House of Delegates, pointed out that the Indian education minister had approved "in principle" the admission to black pupils to Indian schools.

"The department has issued clear guidelines to principals for the admission of black pupils to schools under its control. The availability of accommodation and the need to create additional class units will to a large extent govern such admissions," he said.

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CSO: 3400/535

NEW NATION CARRIES 'UPDATE' COLUMN

MB101253 Johannesburg NEW NATION in English 9-15 Apr 87 p 6

[Text] Six South African journalists are now known to be in detention.

A total of 2,008 houses were built by private owners in Soweto last year, as against none by the government, parliament has been told.

Of the 708 applications by people wishing to live or operate businesses in other group areas received by October last year, 521 have been approved, 122 are pending while 145 have been rejected, according to the Cape and Transvaal provincial authorities.

A total of 230 South African parastatal organizations' products may not be imported into the United States, in terms of U.S. sanctions against South Africa.

Public sector wages rose 16 percent to 21.4 percent of South Africa's total wage bill between 1975 and 1985.

Between 1975 and 1985, the government created at least 60,455 jobs for whites, as against 28,551 for blacks, 38,906 for coloreds and 11,950 for Indians, according to a study by the South Africa indicator. Only one in five of the new jobs created in the central, provincial and local government sectors were for blacks, the study found. White jobs cost the government R16,970 to create, as against R4,800 for blacks.

Forced removals in South Africa have uprooted 3.5 million people, more than 10 percent of the population, since 1960. About 40,000 South Africans were forcibly removed from their homes between July and October last year, according to PFP-Sponsored Operation Real South Africa.

Medical aid schemes cater for about 17 percent of the South African population, according to the National Medical and Dental Association (NAMDA). It adds that 80 percent of South African doctors are in urban areas, while 60 percent of South Africans live in rural areas.

There are between 100 and 125 people per "white" hospital bed, as against 225 people per bed for other races, NAMDA says.

There are 2,094 clinics in South Africa providing immunization, ante-natal care, maternal and child care, family planning, tuberculosis and venereal disease treatment and psychiatric care - an average of one clinic per 16,000 people, according to NAMDA. The World Health norm is 1:10,000.

About 2,000 workers die every year from industrial accidents in South Africa, while 30,000 suffer disabling injuries.

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CSO: 3400/535

ISRAELI BAN MAY THREATEN MILITARY ELECTRONICS

Johannesburg BUSINESS DAY in English 23 Mar 87 p 3

[Article by Mike Robertson]

[Text]

LONDON — SA may be denied access to sophisticated electronics equipment used in avionics and by naval strike craft as a result of Israeli arms sanctions.

An analyst at the Institute for Strategic Studies in London said that because of the secrecy surrounding military operations in both countries it was difficult to assess the implications of the ban. SA, he said, produced just about all its military hardware and should not be severely affected.

However, an area that would be effected was the sophisticated computer-based equipment used in advanced avionics.

□ Former Foreign Minis. Eban said he expected more Israeli measures against SA. He indicated that Israel had become too economically dependent on its arms sales to SA. "I believe we certainly must develop our military exports . . . but I would like to be in a position where our ability to say no was greater," he said.

□ The SA Jewish Board of Deputies hopes the "deep-rooted" relationship between Israel and SA would "endure and remain unimpaired" by Israel's arms decision.

The board said sanctions and disinvestment undermined ways to create an apartheid-free and just society.

/13046
CSO: 3400/522

GEM OPERATION MOVES TO NAMIBIA

Johannesburg BUSINESS DAY in English 31 Mar 87 p 11

[Text]

WINDHOEK — The sorting and valuation of diamonds mined at Oranjemund in southern Namibia by CDM (Pty) would be transferred from Kimberley to Windhoek in 1989, CDM said yesterday.

It was estimated the total cost of the move would be R10m.

CDM said the transfer had been decided on after consultations between the company and the Namibian transitional government.

The new operation would be accommodated in a CDM Windhoek building which had been planned for sorting and training activities.

Oranjemund's diamond production had been sorted and valued in Kimberley since 1934, together with diamonds from other mines, for sale through the De Beers-controlled Central Selling Organisation (CSO) in London.

"Particular care will be taken to ensure the present high level

of expertise continues to be applied to the sorting and valuation of CDM's diamonds, which are of superior quality and value," the statement said.

The sorting in SA of diamonds from Namibia had come under severe criticism in recent years, particularly in evidence before the Thirion Commission of Inquiry into alleged malpractices in the SA controlled territory.

In its statement, CDM said the Namibian transitional government had indicated it wanted to appoint its own independent diamond evaluator.

Initially, the new arrangement would mean that experienced diamond sorters would be seconded to Namibia while residents were being recruited and trained to take over the task.

□ The Namibian transitional government would embark on a world-wide search for a diamond expert to check and evaluate gemstones, the Department for Economic Affairs said in Windhoek. — Sapa.

/13046
CSO: 3400/523

U.S. REPORT: EXPORTS SURVIVE SANCTIONS

Johannesburg BUSINESS DAY in English 27 Mar 87 p 2

[Article by Hamish McIndoe]

[Text] SANCTIONS may erode US computer sales to SA but other export opportunities identified by a confidential US government report released before the Anti-Apartheid Act are virtually intact.

The report, compiled by the US Foreign Commercial Services (FCS) in Johannesburg last July, rates SA's export potential for US computer, telecom, medical and mining equipment.

A US government source says computer exports will be "cut away" by export licensing requirements under the Act and the effect of IBM's pullout. "But SA is still a good market for the other categories," he says.

AECT's computer processing division sources virtually all its imported content requirements from the US. It expects no supply disruptions.

Retailers of PC equipment have not experienced any supply shortages but there are strong signs of consumer resistance to US products.

Says Joffe Associates MD Joan Joffe: "More use is being made of

Taiwan as a supplier — and there's no anti-SA feeling there."

To what extent corporate SA is putting a brave face on its prospects for an unbroken US supply-line for computers is hard to gauge.

The FCS report notes that in 1985 "important purchases were made and orders placed for large installations by previously loyal users of American computers. Hitachi was a particular beneficiary."

It says nearly half of SA's computer imports were sourced from the US in 1985, with IBM's turnover estimated at R300m.

Latest US sanctions are likely to affect US telecommunications exports only if they are deemed computer equipment.

It is understood that the Department of Post and Telecommunications has not altered its buying policy since US sanctions.

While there is no specific US embargo against mining equipment, most mining houses will not comment on their foreign purchases.

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MANUFACTURERS EXPECTED TO INCREASE INVESTMENT

Johannesburg BUSINESS DAY in English 26 Mar 87 p 12

[Article by David Furlonger, Industrial Editor]

[Text]

BUSINESS may be better, but it's not booming.

A study by Stellenbosch University's Bureau for Economic Research (BER) has found manufacturers plan to increase real investment this year in response to increased demand and production.

The recovery in business conditions enjoyed by manufacturers since last year seems to be continuing and companies are gearing up to expand after a period of standstill and even contraction.

The BER, in its study, notes that any improvements in current conditions must be seen in the light of past performance. Such improvements are off a very low base and it is foolish to talk in terms of a major turnaround.

Analysis of figures in the BER's Manufacturing Survey confirms that while certain indicators are encouraging, manufacturing industries still have a long road ahead.

The BER's study of 19 manufacturing sectors shows only one — furniture — reported lower sales in the first three months of this year, compared with the corresponding 1986 period. Some, like shoes, textiles and

rubber products, have seen volumes almost double.

Most industries are optimistic the improvement will continue, with only leather-product manufacturers predicting a slight fall-off in demand in the second quarter of the year, compared with April-June 1986.

Production volumes, too, are well up in the first quarter. Once again, furniture is the only exception, as it is when comparing orders in real terms since January. In both cases, the industry expects to do better in the next quarter.

The upturn in consumer demand, gentle though it is, has caught many industries on the hop. Only a handful of those surveyed by the BER have enough finished goods to cope with expected demand.

Textiles, clothing, shoes, furniture, printing, fabricated metal products, machinery and transport equipment all have enough. Most other industries are lagging just behind expected demand, but some — like beverages, wood and basic metal products — are further back.

Again, most industries require longer delivery times for their products than they did a year ago.

Despite this increased activity, less than a quarter of manufacturing is using its full production capacity. About 60% of companies in the paper sector are working flat out. But this is an exception, and overall the figure is 23%.

This low level of capacity utilisation, and the fact that the recovery is off such a small base, becomes clear when looking at labour needs in manufacturing. Overtime working has increased, but there seems little prospect of significant short-term employment opportunities in these established industries.

Overall, in the first quarter of 1987, manufacturers polled by the BER reported employing fewer workers than at the beginning of last year.

Even with reduced employment levels, only 18% of companies think skilled labour shortages are in any way hampering production.

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HOTEL INDUSTRY SHOWS SIGNS OF REVIVAL

Johannesburg BUSINESS DAY in English 26 Mar 87 p 12

[Article by Mick Collins]

[Text] AFTER being in decline since November 1981, the hotel industry is at last showing strong signs of revival.

The latest hotel ratio statistics released by Pretoria University's Bureau of Financial Analysis yesterday show all gradings had increases in room and bed occupancy.

One-star hotels fared the best in the room occupancy index, with an increase of 14.6%, while the other gradings showed increases ranging between 8.9% for three-star hotels and 1.3% for five-star hotels.

One-star hotels also showed the greatest increase in the bed occupancy index — 21% for January compared with the corresponding month last year. The other gradings showed increases ranging between 10.2% for three-star hotels and 2.1% for four-star hotels.

The figures relate to the trading results of hotels in 20 regions for January 1987.

Thirteen of the 20 regions showed increases in the bed-occupancy index. The greatest increase was in Port Elizabeth, with 34.3%, followed by Bloemfontein and

Kimberley with 28.4% and seven other regions with increases of more than 10%.

Nine of the 20 regions showed an increase in real income for January compared with the corresponding month last year. The increases ranged between 12.4% in Bloemfontein and Kimberley and 1.4% in Maritzburg. Johannesburg showed the greatest decline, 16.5%, followed by south-eastern Transvaal with 11%.

Although signs of the revival were detectable in previous months, most gradings of hotels were still showing declines in their real incomes.

The figures for January, however, show only one-star and three-star hotels had slight declines compared with the corresponding month last year.

The other gradings showed increases in real income, ranging between 7.7% for two-star hotels and 2.7% for four-star hotels.

An analysis showed the industry looked appreciably better in most regions in January than it had during the past few months.

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ESCOM TO CUT GENERATING CAPACITY

Johannesburg FINANCIAL MAIL in English 27 Mar 87 p 75

[Text] With current demand for electricity running below long-term projections, Escom is moving steadily into overcapacity. To cut costs, it is now planning to put some of its generating capacity into "reserve storage."

This novel approach of building new stations while simultaneously taking old ones temporarily out of commission seems to be the only available option beyond cancelling contracts on some of the new stations.

Francois Conradie, interconnected system manager, tells the FM that reserve storage -- as opposed to mothballing plant -- involves taking various power station units off line for a period of months. They can then be put back on line at a couple of weeks' notice, when other units will be closed.

"The aim is to operate this system on a rotational basis. At the moment, we have an internal commission investigating whether it will be more economic to shut down units for a period of months or for longer periods -- perhaps as much as a year."

Escom is now committed to going ahead with the giant 4 000 MW Kendal and Majuba stations. But, says Conradie, in the case of Majuba there are certain deferment clauses, while Escom still has the option of cancelling the second half of the six-unit station. This does not apply to Kendal.

By December, Escom will have to decide whether to proceed with the fourth unit at Majuba, which is currently scheduled to come on stream in 1991. The first units at Kendal are due to come on line in mid-1988.

Of Escom's total 28 000 MW generating capacity, 1 463 MW has already been put into reserve storage, while a further 360 MW will come off this year. At the moment, older stations that are not supplied directly by tied collieries are mainly affected -- notably Salt River in Cape Town, one in Worcester, another at East London and one at Umgeni near Durban.

Escom is currently investigating whether it should go one step further and mothball some of these stations, says Conradie. Next year, the Worcester station is likely to be the first.

When a station is mothballed -- compared with being put into reserve storage -- recommissioning could involve as much as a year's lead time. "But it is obviously cheaper to demothball older plant, should the need arise, than to commission new plant," he adds.

Escom's big guns -- the new generation "six-pack" stations of about 3 600 MW capacity each at Matla, Kriel, Duvha, Matimba, Lethabo and Tutuka, with Kendal and Majuba still on the way -- have not yet fallen into the reserve storage situation. Each of these stations has six generating units of roughly 600 MW each. But the first 600 MW unit is likely to go into reserve storage at the end of 1988, says Conradie.

Nevertheless, Escom's "overbuilding programme" also has some positive aspects. One advantage is that the rand was much stronger against foreign currencies in the early Eighties when the commission entered into contracts for the new units now coming on stream or being erected.

Adds Conradie: "If you defer construction, you lose forward cover and expose yourself to ever higher prices and penalties, thanks to inflation. And sanctions are an ever present threat to the procurement of new generating equipment. US suppliers have already become a closed book to us -- so existing contracts protect us against these pressures."

Furthermore, there is strong overseas union pressure on some of Escom's other suppliers, though manufacturers are obviously still keen to deliver.

Despite the overcapacity -- which Conradie says will reach a peak in the early Nineties -- demand for electricity is still growing at 5% a year. And, he adds, demand is likely to continue at this level for the next 10-15 years.

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MANUFACTURING SECTOR PERFORMANCE VIEWED

Johannesburg THE SUNDAY TIMES in English 29 Mar 87 p 4

[Article by Ian Smith]

[Text] In spite of manufacturing's poor performance last year the sector did produce some winners.

Total manufacturing production increased in the past year by a mere 0,3% -- well below the general real economic growth rate of 0,5%.

Concentrated

But the highly diverse "others" sector, from jewellery through games to educational tools, increased output by 17,5%, according to a survey by Menell Research's Gad Ariovich. The paper and products sector increased production by 14,5%, leather output was up 10% and even the supposedly depressed iron and steel sector climbed 9,3%.

Disturbingly, most of the gains are in industries which are characterised by a high degree of concentration. The extraordinary performance of the paper industry contrasts strongly with the poor shape of the printing and publishing industry, where last year's performance ran at about 5,5% below 1985 levels, says Dr Ariovich.

Admittedly, the paper and paper products sector was helped by the low rand, which increased the value of exports and reduced competition from imports. But many publishers complain about the monopolistic conditions in the industry where Sappi and Mondi virtually dictate prices.

The glass sector, dominated by PG, increased output by 7,8% and the wood sector, where HLH is the leader, increased production by 7,1%.

Among the losing industries are footwear (down 4,2%), clothing (down 5%) and food where output fell by 0,5%.

Necessities

Dr Ariovich says economic theory has it that non-durable industries should fare relatively well in recession because so many of their products are necessities.

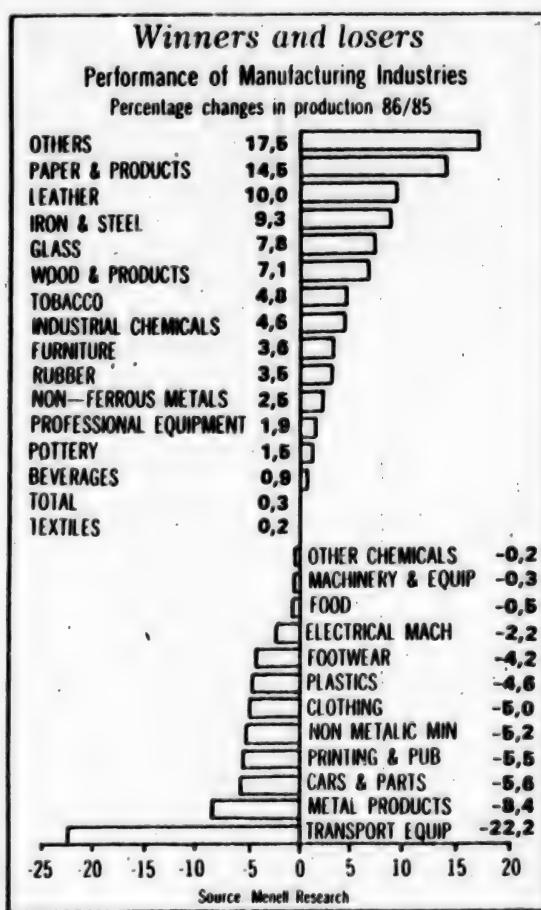
He believes the recession of the past two years was characterised by deep erosion of the buying power of all South Africans, but blacks in particular. "The diminishing income of many South Africans resulted in lower demand even for basic products, such as food, clothing and shoes."

Upswing

Cars and parts with an output cut of 5,6% figured prominently among the losers. Dr Ariovich says that although the upswing in the business cycle might alleviate some financial pressure on car manufacturers it cannot solve long-term problems facing the industry.

The non-metallic mineral sector, which showed a loss of 5,2%, reflects the bleeding of the construction industry. The biggest loser, transport equipment, registered an output fall of 22,2%, reflecting the lack of investment by the Government and parastatal bodies.

[Chart, p 4]



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MECHANIZATION PLAN TO COUNTER MINERS DEMAND FOR HIGHER WAGES

Johannesburg THE SUNDAY TIMES in English 29 Mar 87 p 11

[Article by Dave Edwards]

[Text]

THE trend toward mechanisation on mines could accelerate in view of continuing union demands for higher wages and increased benefits.

Johannesburg Consolidated Investments (JCI) has already embarked on large-scale mechanisation plans for its Randfontein Estates and Western Areas mines.

However, such developments augur well for companies which supply heavy trucks and equipment to the mining industry.

One leading company in the field is Premier Equipment (PE), which has embarked on a local manufacture and assembly programme.

Ted Adlard, national sales manager for PE, says:

"We see a rapidly growing market for underground and surface high-quality, low-operating cost units."

□ □ □

PE markets the locally assembled underground version as the VME-24U, and to date has received orders for 16 units from JCI capable of negotiating gradients of 25% in sometimes slippery conditions — the latest being for three six-wheel drive articulated dump trucks for Western Areas.

The company has also recently provided Optimum Col-

lieries with three additional Euclid CH150 coal hauliers with a carrying capacity of 137 tons and a Euclid B70 bottom-discharge hauler with a carrying capacity of 63,5 tons.

The latter is the first of its kind in SA and hoppers for both types of hauler were manufactured locally by the Premier Equipment Manufacturing Company (Pemco).

Various new products are being introduced to the local market this year after successful launches by overseas franchise companies.

These include VME (Volvo, Michigan and Euclid), Hitachi, Grove Coles and Clark, which are among the world leaders in their fields.

The Volvo range has been expanded to include two new articulated dump trucks — the A 20 and the A 35 — available in four-wheel and six-wheel drive. The A 20 permits higher productivity than the BM 861 it replaces, as the driver can maintain a higher speed throughout the transport cycle. A further extension to the Volvo BM range is the introduction of five new loader models.

The Hitachi EX 3500 is one of the most powerful hydraulic excavators available.

□ □ □

Michigan has introduced a new L 320 wheel loader suitable for the granite market because of its superior breakout force, one of the most powerful in the range, capable of handling large volumes at extremely low unit costs.

PE will also be launching the Euclid R 190, R 130M and R 85 mining trucks in 1987 with new suspension cylinders using helium/silican, which gives greater frame protection, roll stability and operator comfort.

The only constraint preventing Pemco from manufacturing PE's total product range in SA is volume.

Pemco's group technical director says:

"Technically we can compete with the world. Between Pemco and the other high-quality local manufacturers we have the equipment and technological competence to manufacture a wide range of construction and mining machines locally."

SA is not yet in the big league of equipment users and, with more than a dozen suppliers competing for a relatively small market, the economics of low-volume local manufacture is not always clear-cut.

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TRACTOR PLANTS EXPERIENCING DIFFICULTIES

Johannesburg BUSINESS DAY in English 30 Mar 87 p 3

[Text]

PRETORIA — The drastic decline in turnover has caused a grave under-utilisation of tractor assembly plants, which are now locked in a survival struggle.

Agricultural economics and marketing director-general Dirk Immelman, speaking at the Agricultural Machinery and Commerce Association (AMCA) conference in Kimberley at the weekend, said tractor imports declined drastically from a record 26 996 units in 1975 to 4 736 units last year.

During the past 12 years tractor prices had increased 64%.

Last year alone, they rose 29.5%.

Immelman said machinery, implements and equipment constituted 9.8% or R4.4bn of total agricultural assets. The value of capital assets had shown an increasing trend

from R14.2bn in 1980 to R18bn in 1980. Since then it had decreased to R14.5bn.

Investment in implements and vehicles increased to R1.4bn in 1981, after which it declined steadily to R956m in 1985.

Immelman said that since 1980 the greater investment trend in implements and equipment had paved the way for a lesser reliance on labour.

Stressing the need for mechanisation planning, he said there was a danger of over-investing in costly machinery and equipment — particularly on small farms.

□ The National Maize Producers Organisation (Nampo) expects Agriculture Minister Greyling Wentzel to announce a "reasonable" producer price for maize next month, Nampo chairman Boetie Viljoen said at the weekend.

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SOUTH AFRICA

BRIEFS

CONSTRUCTION WORK FOR 1986 DOWN--The total value of works completed in 1986 by construction firms on residential buildings, other buildings and other constructions and works, decreased by 15,9%, 7,3% and 7,6% respectively, compared with 1985, the Central Statistical Services (CSS) said yesterday. [Text] [Johannesburg BUSINESS DAY in English 26 Mar 87 p 3] /13046

NEW FAST DRIER FOR MINE--A new type of SA-produced sample drier has been installed at President Brand gold mine. The stainless-steel electrically heated drier -- made by Drytech of Johannesburg -- reduces the time taken to prepare a sample by half, lowers the risk of recovery losses and avoids the effect of corrosive sulphuric acid fumes by using a special stainless steel. The driers take three hours to dry samples of pressure-filtered slime compared with more than six hours in a standard laboratory oven. [Text] [Johannesburg THE SUNDAY TIMES in English 22 Mar 87 p 5] /13046

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